

A4. Budget

Attachment 4 identifies and discusses the overall Proposal budget as well as the individual budgets for each of the seven projects proposed for implementation in the Santa Barbara County Region Proposition 84 (Prop 84) IRWM Implementation Grant Application – Round 1 (Proposal).

This Proposal has an estimated total cost of nearly \$57.7 million, and the region is requesting just over **\$3 million** in Prop 84 grant funding. The requested grant funding will be applied largely toward construction of each of the seven projects. The region will contribute **\$33.9 million in matching funds**, which equates to a nearly **60 percent** Proposal funding match.

Department of Water Resources (DWR) Table 7, Project Budget, was completed for each of the seven projects, and the costs are presented for each of the tasks and subtasks identified in Attachment 3, Work Plan, as well as Attachment 5, Schedule. Table 7 also presents the funding match percent and funding sources for each project. The DWR template for Table 7 was modified to include several additional columns:

- **Tasks completed before 9/30/08** – This column was added to clearly show which of the tasks and subtasks were completed before this date. These tasks and subtasks are included in the Work Plan, Budget, and Schedule to demonstrate to DWR that the necessary steps have been taken to adequately implement the project. However, costs incurred for work completed before this date are not included in the total project cost or funding match calculation per DWR guidelines.
- **Column (a) for Non-State Share (Funding Match)** – This column was divided into three columns to differentiate between cash funding match and in-kind funding match. Cash funding match represents direct cash contributed by each of the project proponents in support of the project. In-kind funding match represents employee labor time spent by each of the project proponent staff on the project. The cash funding match column for Project 4 was further subdivided to clearly show the cash funding contributed by several local agencies.

DWR Table 8, Summary Budget, presented herein, summarizes the budget information for each of the seven projects and the overall Proposal. The DWR template for Table 8 was modified to differentiate between total cash funding match, in-kind funding match, and federal contribution under the Non-State Share (Funding Match) heading. Each of the costs shown in the Budget is adequately supported by documentation included in the appendices, and an explanation is provided to clearly demonstrate how each of the project costs was estimated.

As described in Attachment 12, Disadvantaged Communities (DACs), this Proposal directly benefits several DACs. Five of the seven projects directly benefit a DAC; these DACs include Lompoc, Santa Maria, Old Town Goleta, and Guadalupe.

Table 8 - Summary Budget

Proposal Title: Santa Barbara County Region Prop 84 IRWM Implementation Grant Application – Round 1

Individual Project Title		Non-State Share (Funding Match)				Requested Grant Funding (DWR Grant Amount)	Other State Funds Being Used	Total Project Cost	% Funding Match
		Cash Funding Match	In-Kind Funding Match	Federal Contribution	Total Funding Match				
(a)	Project 1: City of Lompoc, Lompoc Valley Leak Detection and Repair Project	\$153,672	\$123,530	\$0	\$277,202	\$171,428	\$0	\$448,630	61.8%
(b)	Project 2: City of Santa Maria, Untreated Water Landscape Irrigation Project	\$338,149	\$81,293	\$0	\$419,442	\$521,428	\$0	\$940,870	44.6%
(c)	Project 3: City of Santa Maria, LeakWatch Project	\$1,146,230	\$20,038	\$0	\$1,166,268	\$191,428	\$0	\$1,357,696	85.9%
(d)	Project 4: City of Goleta, San Jose Creek Capacity Improvement and Fish Passage Project	\$21,228,091	\$230,569	\$0	\$21,458,660	\$1,202,428	\$750,000	\$23,411,088	91.7%
(e)	Project 5: CCWA, Water Supply Reliability and Infrastructure Improvement Project	\$431,072	\$0	\$0	\$431,072	\$321,428	\$0	\$752,500	57.3%
(f)	Project 6: Goleta Sanitary District (GSD), Wastewater Treatment Plant Upgrade	\$9,952,518	\$227,206	\$0	\$10,179,724	\$521,428	\$19,974,518	\$30,675,670	33.2%
(g)	Project 7: City of Guadalupe, Recycled Water Feasibility Study	\$0	\$10,644	\$0	\$10,644	\$71,428	\$0	\$82,072	13.0%
(i)	Grand Total (Sum rows (a) through (h) for each column)	\$33,249,732	\$693,280	\$0	\$33,943,012	\$3,000,996	\$20,724,518	\$57,668,526	60.0%

Introduction to Project 1: City of Lompoc, Lompoc Valley Leak Detection and Repair Project

The Lompoc Valley Leak Detection and Repair Project (Project 1 or Project) has an estimated total Project cost of \$448,630, and the City of Lompoc (Lompoc), as the lead agency, is requesting \$171,428 in Prop 84 Implementation Grant funding. The requested grant funding will be applied toward Project construction and implementation including the repair of water mains and service lines and the purchase of leak detection equipment. Lompoc and its cooperating partners (Project proponents) are committed to contributing \$277,202 in matching funds, which equates to a 62 percent funding match for this Project. The cooperating partners include Vandenberg Community Services District (VVCSD) and Mission Hills Community Services District (MHCSD).

Funding Sources

Cash Funding Match

Matching funds contributed by the Project proponents are summarized in Exhibit 4.1-1. The three water utilities have demonstrated their commitment to the Project through board resolutions, letters of financial support, and budget actions. Each of these documents are included in Appendix 4-1. In addition, these utilities will provide a final letter of agreement within 1 month of the notification of Prop 84 grant funding. The percent matching fund contribution of each Project proponent is based on the amount of water pumped by each utility, as presented in Exhibit 4.1-1. Lompoc well production data from 2009 and the DWR Public Water Systems Statistics report on Lompoc well production in 2009 are both included in Appendix 4-1.

EXHIBIT 4.1-1

Project 1 Project Proponents

Project Proponent	Percent Contribution to Matching Fund	2009 Water Usage ¹ (AFY)
Lompoc	72.0	4,961 (68.0%)
VVCSD	17.2	1,620 (22.2%)
MHCSD	10.8	718 (9.8%)
Total	100%	7,299 AFY

Source: 2009 water service records from each agency

AFY = acre-feet per year

¹ Funding match contribution percentages differ slightly from the water usage percentages; although contributions from each of the three agencies were initially based on the 2009 water usages, the contributions have since been adjusted to more closely resemble the actual financial commitments from each agency.

Lompoc will be responsible for 72 percent of the total cash match, while the other two Project proponents listed above will be responsible for 28 percent of the cash match, for a total of \$153,672 in cash match (not including in-kind estimates). The Lompoc City Council has included leak detection repair and replacement in its operating budget.

Lompoc's City Administrator prepared a letter of support for this Project and provided financial support in its budget. The Board of Directors for VVCSD has provided their acceptance for the Project through a Board resolution and has committed user fees to assist in its completion. MHCSD has provided a letter of support and has committed user fees to assist in its completion. Appendix 4-1 includes each of these documents from the three Project proponents.

In-Kind Funding Match

The Project proponents are also contributing \$123,530 total funding match in the form of in-kind services (employee labor time) for Project administration and development of financing, labor compliance, reporting, planning, environmental documentation, leak detection contracting, evaluation and prioritization of leak detection data, leak repair, environmental and archaeological compliance, and construction administration tasks. A copy of the signed In-Kind Funding Match Labor Hours form is included in Appendix 4-1, which documents the estimated labor hours and bill rate information for each City and District employee working directly on this Project.

Costs Incurred Prior to September 30, 2008

Project 1 does not include other state funds, and each of the costs identified in the budget was incurred after September 30, 2008. None of the tasks associated with this Project were performed prior to September 30, 2008.

Project 1 Detailed Budget

A detailed estimate of Project costs is presented in Table 7-1. An explanation of how the costs were developed is presented herein for each budget category, and supporting documentation is provided in Appendix 4-1.

Budget Category (a): Direct Project Administration Costs

The direct Project administration costs are completely supported by funding match. Lompoc and the two other Project proponents are contributing \$24,700 total funding match in the form of in-kind services (employee labor time) for Project administration and development of financing (Task 1), labor compliance (Task 2), and reporting (Task 3). This estimate is based on the labor time anticipated to be spent by the City Senior Administrative Analyst, VVCSD Office Manager, and MHCSD General Manager on Project administration and management of the overall process. A copy of the signed In-Kind Funding Match Labor Hours form is included in Appendix 4-1.

Table 7-1 Project 1 Budget									
Proposal Title: <u>Santa Barbara County Region Prop 84 IRWM Implementation Grant Application – Round 1</u>									
Project 1 Title: <u>City of Lompoc, Lompoc Valley Leak Detection and Repair Project</u>									
Budget Category		Task Completed Before 9/30/2008	(a)			(b)	(c)	(d)	(e)
			Non-State Share* (Funding Match)			Requested Grant Funding	Other State Funds Being Used	Total	% Funding Match
			Cash Funding Match	In-Kind Funding Match	Total Funding Match (Cash + In-Kind)				
(a)	Direct Project Administration Costs	-	\$0	\$24,700	\$24,700	\$0	\$0	\$24,700	100%
	Task 1: Project Administration and Development of Financing	-	\$0	\$9,880	\$9,880	\$0	\$0	\$9,880	100%
	Subtask 1.1 Project Administration	-	\$0	\$4,940	\$4,940	\$0	\$0	\$4,940	100%
	Subtask 1.2 Development of Financing	-	\$0	\$4,940	\$4,940	\$0	\$0	\$4,940	100%
	1.2.1 Prepare and maintain operating budgets	-	\$0	\$2,470	\$2,470	\$0	\$0	\$2,470	100%
	1.2.2 Prepare and maintain sufficient water rates	-	\$0	\$2,470	\$2,470	\$0	\$0	\$2,470	100%
	Task 2: Labor Compliance Program	-	\$0	\$4,940	\$4,940	\$0	\$0	\$4,940	100%
	Subtask 2.1 Prepare and adopt labor compliance program	-	\$0	\$2,470	\$2,470	\$0	\$0	\$2,470	100%
	Subtask 2.2 Enforce labor compliance program	-	\$0	\$2,470	\$2,470	\$0	\$0	\$2,470	100%
	Task 3: Reporting	-	\$0	\$9,880	\$9,880	\$0	\$0	\$9,880	100%
	Subtask 3.1 Submit Reports as Required by Grant Schedule	-	\$0	\$4,940	\$4,940	\$0	\$0	\$4,940	100%
	Subtask 3.2 Design Data Management Approach	-	\$0	\$2,470	\$2,470	\$0	\$0	\$2,470	100%
	Subtask 3.3 Monitoring, Assessment, and Performance Measurement	-	\$0	\$2,470	\$2,470	\$0	\$0	\$2,470	100%
(b)	Land Purchase/Easement (N/A)	-	\$0	\$0	\$0	\$0	\$0	\$0	0%
(c)	Planning/Design/Engineering/ Environmental Documentation	-	\$0	\$4,930	\$4,930	\$0	\$0	\$4,930	100%
	Task 4: Assessment and Evaluation of Unaccounted-for Water	-	\$0	\$1,020	\$1,020	\$0	\$0	\$1,020	100%
	Task 5: Solicitation Process	-	\$0	\$1,950	\$1,950	\$0	\$0	\$1,950	100%
	Subtask 5.1 Prepare and Advertise Solicitation Package	-	\$0	\$720	\$720	\$0	\$0	\$720	100%
	Subtask 5.2 Evaluate and Select Vendor	-	\$0	\$1,230	\$1,230	\$0	\$0	\$1,230	100%
	Task 6: Environmental Documentation	-	\$0	\$1,960	\$1,960	\$0	\$0	\$1,960	100%
	Subtask 6.1 Submit Environmental Documentation to City Council and Board of Directors for Adoption	-	\$0	\$980	\$980	\$0	\$0	\$980	100%
	Subtask 6.2 File Environmental Documentation with Appropriate Agencies	-	\$0	\$980	\$980	\$0	\$0	\$980	100%
(d)	Construction/Implementation	-	\$113,831	\$54,240	\$168,071	\$171,428	\$0	\$339,499	50%
	Task 7: Contracting - Prepare and Execute Contract with Leak Detection Contractor	-	\$0	\$410	\$410	\$0	\$0	\$410	100%
	Task 8: Leak Detection and Repair	-	\$113,831	\$53,830	\$167,661	\$171,428	\$0	\$339,089	49%
	Subtask 8.1 Contractor Mobilization	-	\$0	\$0	\$0	\$0	\$0	\$0	0%
	Subtask 8.2 Contractor Leak Detection	-	\$64,860	\$0	\$64,860	\$0	\$0	\$64,860	100%
	8.2.1 Leak detection survey of City of Lompoc	-	\$46,575	\$0	\$46,575	\$0	\$0	\$46,575	100%
	8.2.2 Leak detection survey of Vandenberg Village Community Services District (VVCSD)	-	\$9,315	\$0	\$9,315	\$0	\$0	\$9,315	100%
	8.2.3 Leak detection survey of Mission Hills Community Services District (MHCSd)	-	\$8,970	\$0	\$8,970	\$0	\$0	\$8,970	100%
	Subtask 8.3 Contractor Demobilization	-	\$0	\$0	\$0	\$0	\$0	\$0	0%
	Subtask 8.4 Agency Evaluation and Prioritization of Leak Detection Data	-	\$0	\$7,140	\$7,140	\$0	\$0	\$7,140	100%
	Subtask 8.5 Agency In-House Leak Repair	-	\$0	\$46,690	\$46,690	\$162,000	\$0	\$208,690	22%
	Subtask 8.6 Purchase Leak Detection Equipment	-	\$48,971	\$0	\$48,971	\$9,428	\$0	\$58,399	84%
(e)	Environmental Compliance/ Mitigation/Enhancement	-	\$0	\$2,600	\$2,600	\$0	\$0	\$2,600	100%
	Task 9: Environmental and Archaeological Compliance for Cultural Resources Overlay (CRO)	-	\$0	\$2,600	\$2,600	\$0	\$0	\$2,600	100%
(f)	Construction Administration	-	\$0	\$37,060	\$37,060	\$0	\$0	\$37,060	100%
	Task 10: Construction Administration	-	\$0	\$37,060	\$37,060	\$0	\$0	\$37,060	100%
(g)	Other Costs	-	\$0	\$0	\$0	\$0	\$0	\$0	0%
(h)	Construction/Implementation Contingency (10%)	-	\$39,841	\$0	\$39,841	\$0	\$0	\$39,841	100%
(i)	Grand Total (Sum rows (a) through (h) for each column)	-	\$153,672	\$123,530	\$277,202	\$171,428	\$0	\$448,630	61.8%
*List sources of funding: Matching funds are obtained through water user fees adopted by the governing bodies of all three agencies: City of Lompoc, Vandenberg Village Community Services District (VVCSD), and Mission Hills Community Services District (MHCSd). Budget resolutions and/or letters of financial support from each of the agencies are included in Appendix 4-1 to support the total cash funding match of \$153,672. The percent funding from each of the three agencies is as follows: 72% City of Lompoc, 17.2% VVCSD, and 10.8% MHCSd. City of Lompoc, VVCSD, and MHCSd are also contributing a combined total of \$123,530 funding match in the form of in-kind services (employee labor time) distributed amongst a majority of the tasks. A copy of the signed In-Kind Funding Match Labor Hours form is included in Appendix 4-1, which documents the estimated labor hours and bill rate information for each City and District employee working directly on this project. Please note that the costs associated with Subtask 8.1 Contractor Mobilization and Subtask 8.3 Contractor Demobilization are included in the construction estimates for Subtask 8.2 Contractor Leak Detection.									

Budget Category (b): Land Purchase/Easement

No land or easements need to be purchased for this Project; therefore, the budgeted costs are equal to zero.

Budget Category (c): Planning/Design/Engineering/Environmental Documentation

The tasks associated with this budget category are completely supported by funding match. The Project proponents are contributing \$4,930 total funding match in the form of in-kind services for assessment and evaluation of unaccounted-for water losses (Task 4), completion of the solicitation process (Task 5), and preparation of the necessary environmental documentation (Task 6). This estimate is based on the labor time anticipated to be spent by the City Senior Administrative Analyst, City Senior Environmental Coordinator, VVCSD Office Manager, and MHCSD General Manager on each of these tasks. A copy of the signed In-Kind Funding Match Labor Hours form is included in Appendix 4-1.

Budget Category (d): Construction/Implementation

Project construction and implementation tasks are funded by cash match (\$113,831), in-kind match (\$54,240), and Prop 84 grant funds (\$171,428) for a total of \$339,499.

Cash matching funds are obtained through water user fees adopted by the governing bodies of all three agencies: Lompoc, VVCSD, and MHCSD. Cash matching funds will support the completion of leak detection surveys for each of the three Project proponents (Subtask 8.2) and leak detection equipment purchase (Subtask 8.6).

As discussed in Attachment 3, Work Plan, the leak detection surveys will be conducted by a third-party vendor (contractor). The cost estimates for Subtask 8.2 are based on preliminary quotes received from three potential contractors including American Leak Detection (American) in October 2009, Superior Inspection & Leak Detection (Superior) in June 2010, and Water Systems Optimization (WSO) in July 2010. A summary of the leak detection survey estimates is presented in Exhibit 4.1-2, and quotes from each of the three vendors are included in Appendix 4-1.

EXHIBIT 4.1-2

Summary of Leak Detection Survey Estimates (Subtask 8.2)

Survey Component	Miles of Pipe to Survey	Average Survey Rate (\$/mile)	Total Survey Cost (\$)
Lompoc	135	\$345	\$46,575
VVCSD	27	\$345	\$9,315
MHCSD	26	\$345	\$8,970
Total:	188		\$64,860

Source: Based on average quotes from American (\$420/mile) and WSO (\$270/mile) between October 2009 and July 2010. The quote from Superior was significantly higher (\$2,617/mile) and so Lompoc anticipates the actual survey costs to be closest to the other two quotes.

The costs associated with Subtask 8.1, Contractor Mobilization, and Subtask 8.3, Contractor Demobilization, are included in the construction estimates for Subtask 8.2, Contractor Leak Detection.

These three Project proponents are also contributing a combined total of \$54,240 funding match in the form of in-kind services (employee labor time) during Project construction and implementation, including preparation and execution of the leak detection contract (Task 7), evaluation and prioritization of the leak detection data (Subtask 8.4) and leak repair (Subtask 8.5). This estimate is based on the labor time anticipated to be spent by the City Senior Administrative Analyst, City Lead Water Distribution Operator, City Senior Water Distribution Operator, City Water Distribution Operator, City Water Distribution Supervisor, City Office Staff Assistant III, VVCSD Office Manager, VVCSD O&M Manager, VVCSD Service Person I and II, MHCSD General Manager, MHCSD Operations Supervisor, and MHCSD Operator I on each of these tasks. A copy of the signed In-Kind Funding Match Labor Hours form is included in Appendix 4-1.

The entire requested grant amount of \$171,428 is to be applied toward the repair of water mains and service lines in the three water districts (Subtask 8.5) and a portion of the cost to purchase leak detection equipment (Subtask 8.6). Lompoc is requesting a total of \$162,000 in Prop 84 grant funds for the repair costs of the water mains and service lines and \$9,428 in Prop 84 grant funds toward the purchase of the equipment.

The cost of the leak detection equipment is anticipated to be approximately \$58,399 based on preliminary quotes obtained from two potential equipment suppliers, including Aqua Metric in September 2009 and California Utility Equipment (CUE) in July 2010. Quotes from each of these suppliers are included in Appendix 4-1. A summary of how the equipment purchase estimates were determined is presented in Exhibit 4.1-3.

EXHIBIT 4.1-3

Summary of Equipment Purchase Estimates (Subtask 8.6)

Equipment	No. of Units	Unit Cost	Total Cost
Leak Noise Logger	10	\$600	\$6,000
Software	1	\$9,000	\$9,000
Correlator (Includes Training)	1	\$38,700	\$38,700
Subtotal			\$53,700
Tax (8.75%)			\$4,699
Total			\$58,399

Source: Based on the quote from Aqua Metric in September 2009; Lompoc anticipates purchasing equipment from this vendor; therefore, the cost estimates are based on Aqua Metric rather than an average of the two vendor quotes provided in Appendix 4-1.

The estimated repair cost for the water mains and service lines for the three water utilities is \$162,000, which includes estimated labor and material. Leak repair estimates are based on Lompoc's experience with similar past projects. A typical water service line repair requires three employees for 8 hours for a total of \$2,000 in salaries and benefits plus approximately \$1,000 in materials, which equates to a unit repair cost of \$3,000 for service lines. A water main repair typically requires two employees for 16 hours for a total of \$5,000 in salaries and benefits plus approximately \$3,000 in materials, which equates to a unit repair cost of \$8,000 for water mains.

If the number of water mains and service lines repaired is less than estimated, the difference in the repair costs can be applied toward the purchase of the leak detection equipment. A summary of the how the leak repair estimates were determined is presented in Exhibit 4.1-4.

EXHIBIT 4.1-4

Summary of Leak Repair Estimates (Subtask 8.5)

Agency	No. of Water Mains	Unit Cost to Repair Water Main	Water Main Repair Cost	No. of Service Lines	Unit Cost to Repair Service Line	Service Line Repair Cost	Total Repair Cost
Lompoc	5	\$8,000	\$40,000	13	\$3,000	\$39,000	\$79,000
MHCSD	1	\$8,000	\$8,000	6	\$3,000	\$18,000	\$26,000
VVCSD	3	\$8,000	\$24,000	11	\$3,000	\$33,000	\$57,000
Total	9		\$72,000	30		\$90,000	\$162,000

Source: Unit repair costs are based on Lompoc's experience with similar past projects and include labor and materials.

Budget Category (e): Environmental Compliance/Mitigation/Enhancement

Environmental compliance efforts are completely supported by funding match. The Project proponents are contributing \$2,600 total funding match in the form of in-kind services for obtaining environmental and archaeological compliance for Cultural Resources Overlay (Task 9), which is located in Lompoc. This estimate is based on the labor time anticipated to be spent by the City Senior Environmental Coordinator on this task. A copy of the signed In-Kind Funding Match Labor Hours form is included in Appendix 4-1.

There are no mitigation or enhancement costs associated with this Project. Should emergency repairs be required in the Cultural Resources Overlay, an archaeologist would not be required.

Budget Category (f): Construction Administration

Construction administration (Task 10) is completely supported by funding match. The Project proponents are contributing \$37,060 total funding match in the form of in-kind services for construction administration services as they relate to leak detection and

repair. This estimate is based on the labor time anticipated to be spent by the City Senior Administrative Analyst, VVCSD Office Manager, and MHCSD General Manager on this task. A copy of the signed In-Kind Funding Match Labor Hours form is included in Appendix 4-1.

Budget Category (g): Other Costs

No other costs are anticipated for this Project because licenses and permits are not required.

Budget Category (h): Construction/Implementation Contingency

The estimated construction contingency for this Project is \$39,841 and was calculated as 10 percent of the total construction and administration costs to account for any unexpected overruns. The contingency cost is supported entirely by funding match from the Project proponents and is estimated based on Lompoc's experience with similar projects.

Introduction to Project 2: City of Santa Maria, Untreated Water Landscape Irrigation Project

The Untreated Water Landscape Irrigation Project (Project 2 or Project) has an estimated total Project cost of \$940,870, and the City of Santa Maria (City) is requesting \$521,428 in Prop 84 Implementation Grant funding. The requested grant funding will be applied toward Project construction. The City is committed to contributing \$419,442 in matching funds, which equates to a 45 percent funding match for this Project.

Project Phases

As described in Attachment 3, Work Plan, this Project is part of a multiphased complex. The first phases have been completed and are not part of this Proposal for Prop 84 grant funding; these include the conversion of Simas Park and Elks Field, as well as a portion of Allan Hancock College, to the Untreated Water Landscape Irrigation system. The Prop 84 grant would fund Phases 1B, 2, and 3, as shown in Exhibit 4.2-1. Subsequent phases would be funded through the City Capital Improvements Program (CIP) or future grant funding. All of the budget estimates described herein are associated only with Phases 1B, 2, and 3.

EXHIBIT 4.2-1
Project Phases

Phase	Description	Funding Source	Construction Timing
Initial	Simas Park and Elks Field (not part of the Project)	City budget	10/15/2009 (Completed)
1A	Allan Hancock College (not part of this Project)	City budget	2/11/2010 (Completed)
1B	Allan Hancock College	City budget; Prop 84 (Rd 1)	6/1/11 – 1/31/13
2	Extension to Miller Elementary School	City budget; Prop 84 (Rd 1)	6/1/11 – 1/31/13
3	Addition of Well #4	City budget; Prop 84 (Rd 1)	6/1/11 – 1/31/13
4	Extension to Santa Maria High School	City budget	When funds are available
5	Extension to Santa Maria Fairpark	City budget	When funds are available
6	Extension to Adam Park	City budget	When funds are available

Funding Sources

Cash Funding Match

The City will contribute a total cash funding match of approximately \$338,149. City Council Resolution No. 2010-66 supports the contribution of cash funding match from the City's Water Fund toward the implementation and construction of this Project. \$180,000 is to be spent during fiscal year (FY) 2010/2011, and the remaining amount is to be spent during FY 2011/2012. The Council Resolution was approved on June 15,

2010, and a copy of the signed resolution is included in Appendix 4-2. The cash funding match in support of the labor compliance program is anticipated to be professional services funding from the City budget.

In-Kind Funding Match

The City is also contributing \$81,293 funding match in the form of in-kind services (employee labor time) for Project administration, development of financing, reporting, planning, construction contracting, performance testing, and construction administration tasks. Appendix 4-2 includes a copy of the signed In-Kind Funding Match Labor Hours form, which documents the estimated labor hours and bill rate information for each City employee working directly on this Project.

Costs Incurred Prior to September 30, 2008

Project 2 does not include other state funds, and each of the costs identified in the budget was incurred after September 30, 2008. None of the tasks associated with this Project were performed prior to September 30, 2008.

Project 2 Detailed Budget

A detailed estimate of Project costs is presented in Table 7-2. An explanation of how the costs were developed is presented herein for each budget category, and supporting documentation is provided in Appendix 4-2.

Budget Category (a): Direct Project Administration Costs

The direct Project administration costs are completely supported by funding match in the form of cash funding match (\$15,000) and in-kind services (\$27,693) for a total of \$42,693. The City is contributing \$15,000 cash funding match (from its professional services budget) in direct support of the labor compliance program (Task 2). The City plans to hire a labor compliance consultant to perform this work, and the cost estimate is based on preliminary estimates from several potential consultants based on the proposed scope of work. Proposals and formal fee schedules from the consultants will be requested upon receipt of the grant funding.

The City is contributing \$27,693 funding match in the form of in-kind services (employee labor time) for Project administration and development of financing (Task 1) and reporting (Task 3). This estimate is based on the labor time anticipated to be spent by the City Water Resources Manager, Business Services Manager, and Water System Operator on each of these tasks. The In-Kind Funding Match Labor Hours form is included in Appendix 4-2. The development of the financing plan (Subtask 1.2) was completed and the City's financial commitment was formalized on June 15, 2010, when the City Council approved the budget resolution for FY 2010/2012. The signed resolution is included in Appendix 4-2.

Budget Category (b): Land Purchase/Easement

No land or easements need to be purchased for this Project; therefore, the budgeted costs are equal to zero.

Table 7-2 Project 2 Budget									
Proposal Title: <u>Santa Barbara County Region Prop 84 IRWM Implementation Grant Application – Round 1</u>									
Project 2 Title: <u>City of Santa Maria, Untreated Water Landscape Irrigation Project</u>									
Budget Category		Task Completed Before 9/30/2008	(a)			(b)	(c)	(d)	(e)
			Non-State Share* (Funding Match)			Requested Grant Funding	Other State Funds Being Used	Total	% Funding Match
			Cash Funding Match	In-Kind Funding Match	Total Funding Match (Cash + In-Kind)				
(a)	Direct Project Administration Costs	-	\$15,000	\$27,693	\$42,693	\$0	\$0	\$42,693	100%
	Task 1: Project Administration and Development of Financing	-	\$0	\$14,118	\$14,118	\$0	\$0	\$14,118	100%
	Subtask 1.1 Project Administration	-	\$0	\$13,103	\$13,103	\$0	\$0	\$13,103	100%
	Subtask 1.2 Development of Financing	-	\$0	\$1,016	\$1,016	\$0	\$0	\$1,016	100%
	Task 2: Labor Compliance Program	-	\$15,000	\$0	\$15,000	\$0	\$0	\$15,000	100%
	Subtask 2.1 Complete agreement with DIR for Labor Compliance Program.	-	\$10,000	\$0	\$10,000	\$0	\$0	\$10,000	100%
	Subtask 2.2 Final report on the Labor Compliance Program	-	\$5,000	\$0	\$5,000	\$0	\$0	\$5,000	100%
	Task 3: Reporting	-	\$0	\$13,575	\$13,575	\$0	\$0	\$13,575	100%
	Subtask 3.1 Account conversion tracking	-	\$0	\$4,368	\$4,368	\$0	\$0	\$4,368	100%
	Subtask 3.2 Annual nitrate sampling	-	\$0	\$2,186	\$2,186	\$0	\$0	\$2,186	100%
	Subtask 3.3 Complete Quarterly, Annual, and Final Reports as Specified in the Grant Agreement	-	\$0	\$4,401	\$4,401	\$0	\$0	\$4,401	100%
	Subtask 3.4 Design Data Management Approach	-	\$0	\$437	\$437	\$0	\$0	\$437	100%
	Subtask 3.5 Monitoring, Assessment and Performance Measurement	-	\$0	\$2,184	\$2,184	\$0	\$0	\$2,184	100%
	(b)	Land Purchase/Easement (N/A)	-	\$0	\$0	\$0	\$0	\$0	\$0
(c)	Planning/Design/Engineering/ Environmental Documentation	-	\$100,000	\$1,092	\$101,092	\$0	\$0	\$101,092	100%
	Task 4: Assessment and Evaluation of Phase 1 System (Complete)	-	\$0	\$1,092	\$1,092	\$0	\$0	\$1,092	100%
	Task 5: Final Design (Complete)	-	\$100,000	\$0	\$100,000	\$0	\$0	\$100,000	100%
	Task 6: Environmental Documentation for CEQA Compliance (Complete)	-	\$0	\$0	\$0	\$0	\$0	\$0	0%
(d)	Construction/Implementation	-	\$129,350	\$37,023	\$166,373	\$521,428	\$0	\$687,801	24%
	Task 7: Construction Contracting	-	\$38,540	\$1,577	\$40,117	\$0	\$0	\$40,117	100%
	Subtask 7.1 Complete bid documents and advertise project	-	\$38,540	\$1,062	\$39,602	\$0	\$0	\$39,602	100%
	Subtask 7.2 Award project and obtain insurance/bond paperwork	-	\$0	\$515	\$515	\$0	\$0	\$515	100%
	Task 8: Construction	-	\$90,810	\$35,446	\$126,256	\$521,428	\$0	\$647,684	19%
	Subtask 8.1 Mobilization and Site Preparation	-	\$0	\$0	\$0	\$12,878	\$0	\$12,878	0%
	8.1.1 Mobilization	-	\$0	\$0	\$0	\$7,500	\$0	\$7,500	0%
	8.1.2 Site Preparation	-	\$0	\$0	\$0	\$5,378	\$0	\$5,378	0%
	Subtask 8.2 Project Construction	-	\$90,810	\$0	\$90,810	\$508,550	\$0	\$599,360	15%
	8.2.1 Construct underground facilities	-	\$90,810	\$0	\$90,810	\$208,550	\$0	\$299,360	30%
	8.2.2 Rehabilitate wells	-	\$0	\$0	\$0	\$300,000	\$0	\$300,000	0%
	Subtask 8.3 Performance Testing and Demobilization	-	\$0	\$35,446	\$35,446	\$0	\$0	\$35,446	100%
	8.3.1 Verify water service to irrigation services	-	\$0	\$35,446	\$35,446	\$0	\$0	\$35,446	100%
	8.3.2 Contractor demobilization	-	\$0	\$0	\$0	\$0	\$0	\$0	0%
(e)	Environmental Compliance/ Mitigation/Enhancement	-	\$0	\$0	\$0	\$0	\$0	\$0	0%
	Task 9: Environmental Compliance (CEQA) (Complete)	-	\$0	\$0	\$0	\$0	\$0	\$0	0%
(f)	Construction Administration	-	\$0	\$15,485	\$15,485	\$0	\$0	\$15,485	100%
	Task 10: Construction Administration	-	\$0	\$15,485	\$15,485	\$0	\$0	\$15,485	100%
	Subtask 10.1 Engineering construction management	-	\$0	\$13,852	\$13,852	\$0	\$0	\$13,852	100%
	Subtask 10.2 Project Inspection	-	\$0	\$1,633	\$1,633	\$0	\$0	\$1,633	100%
(g)	Other Costs	-	\$0	\$0	\$0	\$0	\$0	\$0	0%
(h)	Construction/Implementation Contingency (15%)	-	\$93,799	\$0	\$93,799	\$0	\$0	\$93,799	100%
(i)	Grand Total (Sum rows (a) through (h) for each column)	-	\$338,149	\$81,293	\$419,442	\$521,428	\$0	\$940,870	44.6%
*List sources of funding: <i>City of Santa Maria Council Resolution No. 2010-66 supports the contribution of cash funding match from the City's Water Fund towards the implementation and construction of this project. \$180,000 is to be spent during the 2010-2011 Fiscal Year, and the remaining amount is to be spent during the 2011-2012 Fiscal Year. The Council Resolution was approved on June 15, 2010 and a copy of the signed document is included in Appendix 4-2. The cash funding match in support of the labor compliance program is anticipated to be professional services funding from the City budget for a total cash match of \$338,149.</i> <i>City of Santa Maria is also contributing \$81,293 funding match in the form of in-kind services (employee labor time) for project administration, reporting, engineering assessment and evaluation, construction contracting and construction administration tasks. A copy of the signed In-Kind Funding Match Labor Hours form is included in Appendix 4-2, which documents the estimated labor hours and bill rate information for each City employee working directly on this project.</i> <i>Please also note that Task 6 Environmental Documentation and Task 9 Environmental Compliance were completed in-house by the City of Santa Maria Community Development Department and charges were not incurred for these tasks. In addition, Subtask 8.3.2 Contractor demobilization costs are included in the construction estimates under Subtask 8.2 Project Construction.</i> <i>All of the budget estimates described herein are associated only with Phases 1B, 2, and 3 as described in Attachment 4 Budget.</i>									

Budget Category (c): Planning/Design/Engineering/Environmental Documentation

The tasks associated with this budget category (Tasks 4, 5, and 6) have already been completed, and the incurred cost is an estimated \$101,092, funded entirely by City funding match. Assessment and evaluation of the Phase 1 system (Task 4), based on the labor time spent by the City Water Resources Manager in support of planning efforts for this Project, was completed through the FY 2009/2010 City Budget Resolution in the form of in-kind services worth \$1,092. A copy of the signed resolution and the In-Kind Funding Match Labor Hours form are included in Appendix 4-2.

Final design (Task 5) was funded entirely by City direct funding match in the amount of \$100,000 under the FY 2010/2012 City Budget Resolution. A copy of the signed resolution is included in Appendix 4-2. Bethel Engineering was retained by the City to complete the design, and this estimate is based on the incurred engineering fees. The design fee from Bethel Engineering, as listed in the engineer's estimate of probable construction costs, is included in Appendix 4-2.

Environmental documentation for California Environmental Quality Act (CEQA) compliance (Task 6) was completed in-house by the City's Community Development Department, and no charges were incurred for this task. CEQA exemption was previously approved in September 2009 before the start of this Project. This task is presented in the Work Plan, Budget, and Schedule to demonstrate that the necessary steps have been taken to implement the Project.

Budget Category (d): Construction/Implementation

Project 2 construction and implementation tasks will be supported by City funding match (\$166,373) and Prop 84 grant funds (\$521,428). The City will contribute an estimated \$129,350 in direct cash match toward construction contracting (Task 7) and construction (Task 8), which will fund preparation of the construction bid documents (Subtask 7.1) and construction of the underground facilities (Subtask 8.2.1). These estimates are based on the fee schedule obtained from Bethel Engineering in November 2010 to complete the construction documents, as well as the engineer's estimate of probable construction costs prepared by Bethel Engineering during final design in December 2010. Both of these documents are included in Appendix 4-2.

The City is also contributing a \$37,023 funding match in the form of in-kind services (employee labor time) for construction contracting services (Task 7) and performance testing (Subtask 8.3), including reviewing and advertising the bid documents for construction contractor services (Subtask 7.1), evaluating the bids, selecting a construction contractor, and obtaining the contractor's insurance/bond paperwork (Subtask 7.2), and verifying irrigation services (Subtask 8.3.1). This estimate is based on the labor time anticipated to be spent by the City Principal Engineer, Water Distribution Supervisor, Water System Operator II, and Water Resources Manager on these tasks. The In-Kind Funding Match Labor Hours form is included in Appendix 4-2.

The entire requested grant amount of \$521,428 will be applied toward construction (Task 8), including mobilization and site preparation (Subtask 8.1), construction of underground facilities (Subtask 8.2.1), and rehabilitation of wells (Subtask 8.2.2). This Project consists of underground piping and rehabilitation of two retired production wells to convey untreated groundwater otherwise unsuitable for domestic supply to large irrigated landscape areas. Construction cost estimates are based on the engineer's estimate of probable construction costs prepared by Bethel Engineering during final design, which is included in Appendix 4-2. The total estimated costs to construct underground facilities/piping and rehabilitate the wells is \$299,360 and \$300,000, respectively. A summary of the construction cost estimates is presented in Exhibit 4.2-2 and Exhibit 4.2-3.

EXHIBIT 4.2-2

Summary of Underground Facilities Construction Costs (Subtask 8.2.1)

Phase	Construction Component	Unit Cost	No. of Units	Total Cost
1B	12" PVC Water Main	\$50/LF	3,232 LF	\$161,600
1B	12" Valve	\$2,500/valve	5 valves	\$12,500
1B	Connections	\$18,700	LS	\$18,700
1B	Remove/Replace Pavement	\$5/SF	2,965 SF	\$14,825
1B	Remove/Replace Concrete	\$1,200	LS	\$1,200
2	12" PVC Water Main	\$50/LF	1,169 LF	\$58,450
2	12" Valve	\$2,500/valve	1 valve	\$2,500
2	Cap and Connections	\$5,550	LS	\$5,550
2	Remove/Replace Pavement	\$5/SF	3,507 SF	\$17,535
3	Connections	\$6,000	LS	\$6,000
3	Remove/Replace Pavement	\$5/SF	100 SF	\$500
Total for Subtask 8.2.1				\$299,360

Source: Bethel Engineering Estimate of Probable Construction Costs, December 2010

LF = linear feet

SF = square feet

EXHIBIT 4.2-3

Summary of Well Rehabilitation Costs (Subtask 8.2.2)

Phase	Construction Component	Unit Cost	No. of Units	Total Cost
1B	Repair Monitoring Well	\$150,000/well	1 well	\$150,000
3	Repair Well #4	\$150,000/well	1 well	\$150,000
Total for Subtask 8.2.2				\$300,000

Source: Bethel Engineering Estimate of Probable Construction Costs, December 2010

Contractor demobilization (Subtask 8.3.2) is included in the construction estimates under Subtask 8.2, Project Construction.

Budget Category (e): Environmental Compliance/Mitigation/Enhancement

Environmental CEQA compliance (Task 9) was completed in-house by the City's Community Development Department, and no charges were incurred for this task. CEQA exemption was previously approved in September 2009 before the start of this Project. This task is presented in the Work Plan, Budget, and Schedule to demonstrate that the necessary steps have been taken to implement the Project. There are no mitigation or enhancement costs associated with this Project.

Budget Category (f): Construction Administration

Construction administration (Task 10) is supported entirely by funding match. The City is contributing a \$15,485 funding match in the form of in-kind services (employee labor time) for construction administration services (Task 10), including engineering construction management (Subtask 10.1) and Project inspection (Subtask 10.2). This estimate is based on the labor time anticipated to be spent by the City Principal Engineer and Public Works Inspector on these tasks. The In-Kind Funding Match Labor Hours form is included in Appendix 4-2.

Budget Category (g): Other Costs

No other costs are anticipated for this Project, because licenses or permits are not required.

Budget Category (h): Construction/Implementation Contingency

The construction contingency for this Project is estimated by Bethel Engineering to be 15 percent of construction costs and is supported entirely by City funding match in the amount of \$93,799. The engineer's estimate of probable construction costs prepared by Bethel Engineering during final design is included in Appendix 4-2.

Introduction to Project 3: City of Santa Maria, LeakWatch Project

The LeakWatch Project (Project 3 or Project) has an estimated total Project cost of \$1.36 million, and the City of Santa Maria (City) is requesting \$191,428 in Prop 84 Implementation Grant funding. The requested grant funding will be applied toward the purchase of water meter reading equipment, including base stations, water meter registers, and transmitters. The City is committed to contributing \$1.17 million in matching funds, which equates to an 86 percent funding match for this Project.

Project Phases

As discussed in Attachment 3, Work Plan, this Project is part of a multiphased program, with Phase 3 described herein as Project 3. Phase 1 has been completed, and Phase 2 of the program is currently being implemented and funded in part by the Bureau of Reclamation's CALFED WaterSMART Program. These first two phases include the installation of up to 7,700 meters with a register and a transmitter and one base station (antenna) within the northern half of the city.

Phase 3, the subject of this grant request, will cover the southern portion of the city with an additional antenna base station and 4,720 meters. With implementation of Phase 4 in the future when additional funding becomes available, the program will be complete. Phases 1, 2, and 4 are not part of this application and will not be funded by Prop 84 Round 1 grant funding. The cost estimates listed herein pertain only to Phase 3. For completeness of the application, the four phases are described in Exhibit 4.3-1.

EXHIBIT 4.3-1

Project Phases

Phase	Meter Installations	Funding Source	Timing
Phase 1 (Pilot Program)	900	City budget and USBR CALFED WaterSMART grant	November 2009
Phase 2	6,800	City budget and USBR CALFED WaterSMART grant	April 2011
Phase 3	4,720	City budget and Prop 84 IRWM, Round 1	June 2013
Phase 4	Remaining convertible meters	City budget	Completed when funding becomes available

USBR = U.S. Bureau of Reclamation

Funding Sources

Cash Funding Match

The City is financially committed to contribute \$1.15 million in cash funding match toward the completion of this Project. City of Santa Maria Council Resolution No. 2010-66 commits and allocates \$900,000 from the City's Water Fund toward the purchase of

equipment. Half of this amount is to be spent during FY 2010/2011, and the remaining half is to be spent during FY 2011/2012. The Council Resolution was approved on June 15, 2010, and a copy of the signed document is included in Appendix 4-3. The City anticipates that cost savings from the City's Pre-1940's Waterline Replacement Capital account will provide the remaining City cash match commitment for the Project up to approximately \$300,000.

In-Kind Funding Match

The City is also contributing \$20,038 funding match in the form of in-kind services (employee labor time) for Project administration and development of financing, reporting, and environmental CEQA documentation tasks. Appendix 4-3 includes a copy of the signed In-Kind Funding Match Labor Hours form, which documents the estimated labor hours and bill rate information for each City employee working directly on this Project.

Costs Incurred Prior to September 30, 2008

Project 3 does not include other state funds, and each of the costs identified in the budget was incurred after September 30, 2008. None of the tasks associated with this Project were performed prior to September 30, 2008.

Project 3 Detailed Budget

A detailed estimate of Project costs is presented in Table 7-3. An explanation of how the costs were developed is presented herein for each budget category, and supporting documentation is provided in Appendix 4-3.

Budget Category (a): Direct Project Administration Costs

The direct Project administration costs are completely supported by funding match in the form of cash funding match (\$15,000) and in-kind services (\$19,929) for a total of \$34,929. The City is contributing \$15,000 cash funding match in direct support of the labor compliance program (Task 2). The City plans to hire a labor compliance consultant to perform this work, and the cost estimate is based on preliminary estimates from several potential consultants based on the proposed scope of work. Proposals and formal fee schedules from the consultants will be requested upon receipt of the grant funding.

The City of Santa Maria is contributing \$19,929 funding match in the form of in-kind services (employee labor time) for Project administration and development of financing (Task 1) and reporting (Task 3). This estimate is based on the labor time anticipated to be spent by the City Water Resources Manager, Business Services Manager, Water Distribution Supervisor and Account Clerk I on each of these tasks. A copy of the signed In-Kind Funding Match Labor Hours form is included in Appendix 4-3.

Table 7-3 Project 3 Budget									
Proposal Title: <u>Santa Barbara County Region Prop 84 IRWM Implementation Grant Application – Round 1</u>									
Project 3 Title: <u>City of Santa Maria, LeakWatch Project</u>									
Budget Category		Task Completed Before 9/30/2008	(a)			(b)	(c)	(d)	(e)
			Non-State Share* (Funding Match)			Requested Grant Funding	Other State Funds Being Used	Total	% Funding Match
			Cash Funding Match	In-Kind Funding Match	Total Funding Match (Cash + In-Kind)				
(a)	Direct Project Administration Costs	-	\$15,000	\$19,929	\$34,929	\$0	\$0	\$34,929	100%
	Task 1: Project Administration and Development of Financing	-	\$0	\$8,781	\$8,781	\$0	\$0	\$8,781	100%
	Subtask 1.1 Project Administration	-	\$0	\$6,547	\$6,547	\$0	\$0	\$6,547	100%
	1.1.1 Secure Purchase Orders	-	\$0	\$2,506	\$2,506	\$0	\$0	\$2,506	100%
	1.1.2 Coordinate installation	-	\$0	\$4,041	\$4,041	\$0	\$0	\$4,041	100%
	Subtask 1.2 Development of Financing (Complete)	-	\$0	\$2,234	\$2,234	\$0	\$0	\$2,234	100%
	Task 2: Labor Compliance Program	-	\$15,000	\$0	\$15,000	\$0	\$0	\$15,000	100%
	Subtask 2.1 Review Program	-	\$10,000	\$0	\$10,000	\$0	\$0	\$10,000	0%
	Subtask 2.2 Initiate Contract	-	\$5,000	\$0	\$5,000	\$0	\$0	\$5,000	100%
	Task 3: Reporting	-	\$0	\$11,147	\$11,147	\$0	\$0	\$11,147	100%
	Subtask 3.1 Complete Quarterly, Annual, and Final Reports as Specified in the Grant Agreement	-	\$0	\$1,092	\$1,092	\$0	\$0	\$1,092	100%
	Subtask 3.2 Design Data Management Approach	-	\$0	\$2,468	\$2,468	\$0	\$0	\$2,468	100%
	Subtask 3.3 Monitoring, Assessment and Performance Measurement	-	\$0	\$7,588	\$7,588	\$0	\$0	\$7,588	100%
	3.3.1 Develop spreadsheet to track progress and meet grant requirements	-	\$0	\$109	\$109	\$0	\$0	\$109	100%
	3.3.2 Update spreadsheets showing results of leak detection and water audits	-	\$0	\$7,478	\$7,478	\$0	\$0	\$7,478	100%
(b)	Land Purchase/Easement (N/A)	-	\$0	\$0	\$0	\$0	\$0	\$0	0%
(c)	Planning/Design/Engineering/ Environmental Documentation	-	\$0	\$109	\$109	\$0	\$0	\$109	100%
	Task 4: Assessment and Evaluation (Complete)	-	\$0	\$0	\$0	\$0	\$0	\$0	0%
	Task 5: Environmental CEQA Documentation (Complete)	-	\$0	\$109	\$109	\$0	\$0	\$109	100%
(d)	Construction/Implementation	-	\$951,230	\$0	\$951,230	\$191,428	\$0	\$1,142,658	83%
	Task 6: Project Construction	-	\$951,230	\$0	\$951,230	\$191,428	\$0	\$1,142,658	83%
	Subtask 6.1 Purchase Equipment	-	\$900,000	\$0	\$900,000	\$191,428	\$0	\$1,091,428	82%
	Subtask 6.2 Install Tower Gateway Base	-	\$25,615	\$0	\$25,615	\$0	\$0	\$25,615	100%
	Subtask 6.3 Install Registers and Transmitters	-	\$25,615	\$0	\$25,615	\$0	\$0	\$25,615	100%
(e)	Environmental Compliance/Mitigation/Enhancement	-	\$0	\$0	\$0	\$0	\$0	\$0	0%
(f)	Construction Administration	-	\$0	\$0	\$0	\$0	\$0	\$0	0%
(g)	Other Costs	-	\$0	\$0	\$0	\$0	\$0	\$0	0%
(h)	Construction/Implementation Contingency (15%)	-	\$180,000	\$0	\$180,000	\$0	\$0	\$180,000	100%
(i)	Grand Total (Sum rows (a) through (h) for each column)	-	\$1,146,230	\$20,038	\$1,166,268	\$191,428	\$0	\$1,357,696	85.9%
<p>*List sources of funding:</p> <p>City of Santa Maria Council Resolution No. 2010-66 supports the contribution of \$900,000 from the City's Water Fund to purchase the leak detection equipment. Half of this amount is to be spent during the 2010-2011 Fiscal Year, and the remaining half is to be spent during the 2011-2012 Fiscal Year. The Council Resolution was approved on June 15, 2010 and a copy of the signed document is included in Appendix 4-3. The City anticipates that cost savings from the City's Pre-1940's Waterline Replacement Capital account will provide the remaining City cash match commitment for the Project up to approximately \$300,000.</p> <p>City of Santa Maria is also contributing \$20,038 funding match in the form of in-kind services (employee labor time) for project administration, development of financing, reporting, and environmental CEQA documentation. A copy of the signed In-Kind Funding Match Labor Hours form is included in Appendix 4-3, which documents the estimated labor hours and bill rate information for each City employee working directly on this project.</p> <p>Please also note that Task 4 Assessment and Evaluation consists of the Propagation Study which was completed by a third party vendor at no cost to the City. In addition, there are no tasks associated with environmental compliance (budget category [e]) or construction administration (budget category [f]); because this project is a leak detection project rather than a true construction project, the environmental compliance and administration efforts are already accounted for in Tasks 1 and 5.</p>									

Budget Category (b): Land Purchase/Easement

The City owns or has necessary easements for all properties needed in order to implement this Project. No land or easements need to be purchased for this Project; therefore, the budgeted costs are equal to zero.

Budget Category (c): Planning/Design/Engineering/Environmental Documentation

The tasks associated with this budget category (Tasks 4 and 5) have been completed and are completely supported by funding match. The City contributed \$109 funding match in the form of in-kind services (employee labor time) for preparing CEQA documentation (Task 5) based on the labor time spent by the City Water Resources Manager on this task. A copy of the signed In-Kind Funding Match Labor Hours form is included in Appendix 4-3. The incurred costs for this task are minimal because the preparation of CEQA documentation was conducted entirely by City staff, and a Categorical Exemption was granted.

The Propagation Study completed in Task 4, Assessment and Evaluation, was conducted by a third-party vendor (Sensus Metering Systems) at no cost to the City. Sensus Metering Systems completed the study at no charge to the City, because the vendor benefited from significant equipment purchases as a result of providing the analysis as a sole-source vendor for this Project.

Budget Category (d): Construction/Implementation

Project construction (Task 6) is supported both by City funding match (\$951,230) and Prop 84 grant funds (\$191,428) for a total of \$1.14 million. The City is committed to contribute \$951,230 in direct cash funding match toward Project construction, including the purchase of water meter reading equipment (Subtask 6.1) and installation of the tower gateway base (Subtask 6.2) and installation of registers and transmitters (Subtask 6.3). City of Santa Maria Council Resolution No. 2010-66 commits and allocates \$900,000 from the City's Water Fund toward the purchase of equipment (Subtask 6.1). A copy of the signed resolution is included in Appendix 4-3. The estimated \$25,615 toward both the installation of the tower gateway base (Subtask 6.2) and installation of registers and transmitters (Subtask 6.3) will be supported by the cost savings from the City's Pre-1940's Waterline Replacement Capital account. The total estimated cost to install the equipment is \$51,230. This estimate is based on the City's past experience with installing water meter reading equipment, assuming 1,000 hours to install the gateway base, registers, and transmitters and a unit install cost of \$51.23.

The entire requested Prop 84 grant amount of \$191,428 will be applied toward the purchase of the water meter equipment (Subtask 6.1). The total estimated cost to purchase the equipment is \$1.09 million. A breakdown of the equipment costs is presented in Exhibit 4.3-2. Equipment unit costs were obtained from Sensus Metering Systems in preparation of the Propagation Study in December 2008. Vendor quotes and

an equipment brochure for the FlexNet water meter reading equipment supplied by Sensus Metering Systems are provided in Appendix 4-3.

EXHIBIT 4.3-2

Summary of Equipment Costs

Equipment	Unit Cost	No. of Units	Capital Cost
Antenna Base	\$80,000	1	\$80,000
Register	\$60	4,720	\$300,000
Transmitter	\$150	3,255	\$525,000
Dual Transmitter	\$160	1,500	\$240,000
Total Equipment Cost (Subtask 6.1)			\$1.09 million

Source: Propagation Study prepared by Sensus Metering Systems, December 2008

Budget Category (e): Environmental Compliance/Mitigation/Enhancement

Tower installation and meter retrofits both will involve replacing or adding components to existing facilities; therefore, there will not be any significant environmental impacts. CEQA documentation is complete, and the efforts associated with this work are already accounted for and described in Task 5, Environmental Documentation. Therefore, in order not to “double count” work efforts, budget estimates are not included in this budget category. There are no mitigation or enhancement costs associated with this Project.

Budget Category (f): Construction Administration

Administration will be handled in-house by the City Water Resources Manager, Business Services Manager, and the Water Distribution Supervisor as described in Task 1. The efforts associated with this work are already accounted for under Subtask 1.1, Project Administration. Therefore, in order not to “double count” work efforts, budget estimates are not included in this budget category.

Budget Category (g): Other Costs

No other costs are anticipated for this Project, because licenses or permits are not required.

Budget Category (h): Construction/Implementation Contingency

The estimated construction contingency for this Project is \$180,000, which was calculated as 15 percent of the total equipment purchase costs. The contingency cost is supported entirely by City funding match and is estimated based on the City’s experience with similar projects. If necessary, the City would use cost savings from the City’s Pre-1940’s Waterline Replacement Capital account to cover the cost of the contingency.

Introduction to Project 4: City of Goleta, San Jose Creek Capacity Improvement and Fish Passage Project

The San Jose Creek Capacity Improvement and Fish Passage Project (Project 4 or Project) has an estimated total Project cost of \$23.4 million, and the City of Goleta (City) is requesting \$1.2 million in Prop 84 Implementation Grant funding. The requested grant funding will be applied toward construction of the fish passage and flood control channel. The City has secured \$21.5 million in matching funds (including in-kind employee time) through the support of the City of Goleta Redevelopment Agency (RDA), Santa Barbara County Flood Control District (County Flood Control), and Goleta Valley Land Trust (GVLT). This contribution equates to a 92 percent funding match for this Project.

Project Phases

As discussed in Attachment 3, Work Plan, this Project is part of a two-phased process, with the channel construction described herein as Project 4. In order to receive the full benefits of this Project, the Hollister Avenue Bridge must be replaced to pass 100-year flood flows. The bridge replacement will begin immediately following construction of the channel and take approximately 2 years (or sooner, if the contractor is the same for both the channel construction in Project 4 and the bridge replacement) with completion in May 2014. The bridge replacement is not a part of this Project and will not be funded by Prop 84 Round 1 grant funding. The cost estimates listed herein pertain only to the channel construction. For completeness of the application, the two phases are described in Exhibit 4.4-1.

EXHIBIT 4.4-1

Project Phases

Phase	Construction Timing
San Jose Creek Channel Construction	April 2011 – April 2012
Hollister Avenue Bridge Replacement	May 2012 – May 2014

Funding Sources

Cash Funding Match

Matching funds contributed by the City RDA and other local agencies are summarized in Exhibit 4.4-2.

EXHIBIT 4.4-2

Project 4 Local Funding Agencies

Local Agency	Contribution to Matching Fund
City of Goleta RDA	\$16.1 million (not including in-kind)
County Flood Control	\$5 million
GVLТ	\$100,000
Total	\$21.2 million (not including in-kind)

The City RDA is financially committed to contribute \$16.1 million in cash funding match toward the general implementation of this Project. The Project has been sanctioned by the City Council and the RDA, and over \$9 million has been budgeted for FY 2010/2011. The remaining \$7.1 million will be budgeted for the following fiscal years through Project completion. A financial support letter from the City dated September 21, 2010 is included in Appendix 4-4.

The County is contributing \$5 million toward the construction of the channel for its flood control benefits. Initially, the County approved funding in the amount of \$4 million, with the additional \$1 million negotiated at a later date. The County Board Resolution and Board Meeting Minutes dated October 5, 2010, affirming this commitment are provided in Appendix 4-4.

GVLТ is contributing \$100,000 toward the construction of the fish passage channel for its environmental, recreational, and educational benefits. The City applied for the GVLТ grant in February 2009, and due to the environmental benefits and opportunity for people to view steelhead fish swimming in the creek, the GVLТ awarded \$100,000 toward the Project. The GVLТ Grant Agreement, dated July 20, 2010, and included in Appendix 4-4, approves the funding to be dispersed upon the signing of the construction contract.

In-Kind Funding Match

The City RDA is also contributing \$230,569 funding match in the form of in-kind services (employee labor time) for Project administration and development of financing, labor compliance, reporting, negotiating right-of-way land acquisitions/easements, permitting, and construction contracting tasks. Appendix 4-4 includes a copy of the signed In-Kind Funding Match Labor Hours form, which documents the estimated labor hours and bill rate information for each City employee working directly on this Project.

Other State Funds

The City has also secured “other state funds” including \$750,000 from the California Department of Fish and Game (CDFG) toward the construction of the fish passage channel for its fish passage benefits. This CDFG grant is for habitat restoration or restoration of access to habitat, and therefore the fish passage component of this Project

qualifies for this grant. CDFG conducted a site visit in September 2010 to confirm the results of the hydraulic models indicating fish passage is indeed possible for channel flows between 5 and 600 cubic feet per second. CDFG also field verified the sediment loading at various flow regimes. The National Oceanic and Atmospheric Administration (NOAA) and CDFG approved the Project directly following field verification of hydraulic model predictions, and the development and approval of the grant agreement is underway. A copy of the CDFG grant application prepared and submitted by the City is included in Appendix 4-4.

Costs Incurred Prior to September 30, 2008

With the exception of Task 7, Environmental Documentation for Mitigated Negative Declaration (MND), each of the completed tasks and subtasks identified herein were performed after September 30, 2008. Each of the costs identified in the budget was incurred after September 30, 2008.

Project 4 Detailed Budget

A detailed estimate of Project costs is presented in Table 7-4. An explanation of how the costs were developed is presented herein for each budget category, and supporting documentation is provided in Appendix 4-4.

Budget Category (a): Direct Project Administration Costs

The direct Project administration costs are completely supported by funding match. The City RDA is contributing \$50,000 cash funding match toward Project management (Subtask 1.1); this estimate is based on the efforts put forth by Gerald Comati of COM3, the consulting firm retained by the City to perform these tasks on an as-needed basis, at an hourly rate of \$160 per hour for an estimated 313 hours of labor time on this Project. The Professional Services Agreement, dated May 16, 2009, and amended June 15, 2010, detailing these estimates is included in Appendix 4-4.

The City RDA is also contributing \$209,606 funding match in the form of in-kind services (employee labor time) for Project administration and development of financing (Task 1), labor compliance (Task 2), and reporting (Task 3). This estimate is based on the labor time anticipated to be spent by the City CIP Manager, Project Manager, Principal Civil Engineer, Community Services Director, Management Analyst, Environmental Services Coordinator, City Clerk, and City Attorney on each of these tasks. A copy of the signed In-Kind Funding Match Labor Hours form is included in Appendix 4-4.

The development of financing (Subtask 1.2) has been completed. By the time of the grant award date (June 1, 2011), labor compliance efforts will be complete (Task 2). Project management (Subtask 1.1) and status reporting to the City Council (Subtask 3.1) are ongoing efforts that have already been initiated, and the remaining reporting tasks (Task 3) will be initiated immediately following the grant award date.

Budget Category (b): Land Purchase/Easement

The negotiation of right-of-way acquisitions and easements (Task 4) is completely supported by funding match in the amount of \$405,088 from the City RDA. This estimate includes both City cash match (\$400,000) to purchase the land/easements, as well as in-kind City employee labor time (\$5,088) to negotiate the right-of-way acquisitions.

The City RDA is contributing approximately \$400,000 in cash funding match to purchase the land/easements. This estimate is based on the 2009 land/easement purchases and appraisals required for this Project. This estimate also includes the fees to be paid to Hamner, Jewell & Associates (HJA), the consulting firm retained by the City to provide real estate services in conjunction with this Project including appraisals, eminent domain requirements, and preparation of offer packages for involved property owners. As outlined in the Professional Services Agreement, dated December 10, 2010, the consulting fees shall not exceed \$29,000. The Agreement, included in Appendix 4-4, summarizes the property rights identified for acquisition.

Five land purchases and easements were initiated in 2009 and are expected to be finalized in January 2011. These include:

- APN 071-190-034: Kellogg Ave LLC. Temporary construction easement (TCE).
- APN 071-140-061: Blue Ox Properties. TCE.
- APN 071-140-056, 057, 058: Bottiani. TCE.
- DLC (\$12,000) and Newland Properties (\$5,000): Extension of TCE expiring on 12/31/10.
- APN 071-170-023: Parcel on which the City has an Order of Immediate Possession; this means the City can begin construction and have access to the property as long as the City continues to negotiate in good faith with the property owner. This parcel includes a bridge (old boat ramp) across the top of the channel supporting a sewer line. The sewer line is being re-routed, and the property owner requests compensation for the loss of the bridge. A utility easement has been obtained for the sewer line relocation.

Three additional easements have recently been acquired or are currently being negotiated:

- The City acquired two TCEs on private property at the northern end of the Project area in 2009. The fully executed agreements are on file and available upon request.
- A 7-foot-wide sliver of excess right-of-way from Caltrans, approximately 2,000 feet long, was purchased for \$3,500 in 2009 to obtain the necessary channel width. The deed from Caltrans is on file and available upon request.
- A permanent easement from County Flood Control is currently being negotiated. The channel will be widened into an existing flood control access easement; thus, the County will give up access width in exchange for a wider channel.

The City RDA is also contributing \$5,088 funding match in the form of in-kind services (employee labor time) for negotiating the right-of-way acquisitions and easements (Task 4) as described above. This estimate is based on the labor time anticipated to be spent by the City CIP Manager, Management Analyst, City Attorney, and Community Services Director on this task. A copy of the signed In-Kind Funding Match Labor Hours form is included in Appendix 4-4.

By the time of the grant award date (June 1, 2011), Task 4 will be complete with all necessary right-of-way acquisitions and easements purchased and secured.

Table 7-4 Project 4 Budget												
Proposal Title: <u>Santa Barbara County Region Prop 84 IRWM Implementation Grant Application – Round 1</u>												
Project 4 Title: <u>City of Goleta, San Jose Creek Capacity Improvement and Fish Passage Project</u>												
Budget Category		Task Completed Before 9/30/2008	(a)						(b)	(c)	(d)	(e)
			Non-State Share* (Funding Match)						Requested Grant Funding	Other State Funds Being Used	Total	% Funding Match
			Cash Funding Match				In-Kind Funding Match	Total Funding Match (Cash + In-Kind)				
			City of Goleta RDA	Goleta Valley Land Trust	SB County Flood Control District	Total Cash Funding Match						
(a)	Direct Project Administration Costs	-	\$50,000	\$0	\$0	\$50,000	\$209,606	\$259,606	\$0	\$0	\$259,606	100%
	Task 1: Project Administration and Development of Financing	-	\$50,000	\$0	\$0	\$50,000	\$140,120	\$190,120	\$0	\$0	\$190,120	100%
	Subtask 1.1 Project Management	-	\$50,000	\$0	\$0	\$50,000	\$124,978	\$174,978	\$0	\$0	\$174,978	100%
	Subtask 1.2 Development of Financing	-	\$0	\$0	\$0	\$0	\$15,142	\$15,142	\$0	\$0	\$15,142	100%
	1.2.1 Secure Financing Agreement with Santa Barbara County Flood Control District	-	\$0	\$0	\$0	\$0	\$10,093	\$10,093	\$0	\$0	\$10,093	100%
	1.2.2 Secure CA Dept of Fish and Game Permit Grant	-	\$0	\$0	\$0	\$0	\$5,049	\$5,049	\$0	\$0	\$5,049	100%
	Task 2: Labor Compliance	-	\$0	\$0	\$0	\$0	\$152	\$152	\$0	\$0	\$152	100%
	Task 3: Reporting	-	\$0	\$0	\$0	\$0	\$69,334	\$69,334	\$0	\$0	\$69,334	100%
	Subtask 3.1 Status Reporting to City Council	-	\$0	\$0	\$0	\$0	\$19,927	\$19,927	\$0	\$0	\$19,927	100%
	Subtask 3.2 Complete Quarterly, Annual, and Final Reports as Specified in the Grant Agreement	-	\$0	\$0	\$0	\$0	\$19,119	\$19,119	\$0	\$0	\$19,119	100%
	Subtask 3.3 Design Data Management Approach	-	\$0	\$0	\$0	\$0	\$10,248	\$10,248	\$0	\$0	\$10,248	100%
	Subtask 3.4 Monitoring, Assessment, and Performance Measurement	-	\$0	\$0	\$0	\$0	\$20,040	\$20,040	\$0	\$0	\$20,040	100%
(b)	Land Purchase/Easement	-	\$400,000	\$0	\$0	\$400,000	\$5,088	\$405,088	\$0	\$0	\$405,088	100%
	Task 4: Right Of Way (ROW) Acquisitions/Easements	-	\$400,000	\$0	\$0	\$400,000	\$5,088	\$405,088	\$0	\$0	\$405,088	100%
(c)	Planning/Design/Engineering/ Environmental Documentation	-	\$1,806,717	\$0	\$0	\$1,806,717	\$5,988	\$1,812,705	\$0	\$0	\$1,812,705	100%
	Task 5: Assessment and Evaluation	-	\$113,249	\$0	\$0	\$113,249	\$0	\$113,249	\$0	\$0	\$113,249	100%
	Subtask 5.1 San Jose Creek Hydraulic Model	-	\$46,900	\$0	\$0	\$46,900	\$0	\$46,900	\$0	\$0	\$46,900	100%
	Subtask 5.2 Fish Passage Hydraulic Model	-	\$66,349	\$0	\$0	\$66,349	\$0	\$66,349	\$0	\$0	\$66,349	100%
	Task 6: Design	-	\$1,558,527	\$0	\$0	\$1,558,527	\$0	\$1,558,527	\$0	\$0	\$1,558,527	100%
	Subtask 6.1 Preliminary Design	-	\$454,973	\$0	\$0	\$454,973	\$0	\$454,973	\$0	\$0	\$454,973	100%
	Subtask 6.2 Final Design	-	\$1,103,554	\$0	\$0	\$1,103,554	\$0	\$1,103,554	\$0	\$0	\$1,103,554	100%
	Task 7: Environmental Documentation for Mitigated Negative Declaration (MND)	X	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0%
	Task 8: Permitting	-	\$134,941	\$0	\$0	\$134,941	\$5,988	\$140,929	\$0	\$0	\$140,929	100%
	Subtask 8.1 Secure CLOMR	-	\$45,200	\$0	\$0	\$45,200	\$0	\$45,200	\$0	\$0	\$45,200	100%
	Subtask 8.2 Secure California Coastal Development Permit	-	\$12,820	\$0	\$0	\$12,820	\$0	\$12,820	\$0	\$0	\$12,820	100%
	Subtask 8.3 Secure Fish and Game Permit	-	\$12,820	\$0	\$0	\$12,820	\$4,157	\$16,977	\$0	\$0	\$16,977	100%
	Subtask 8.4 Secure RWQCB 401 Permit	-	\$12,820	\$0	\$0	\$12,820	\$1,831	\$14,651	\$0	\$0	\$14,651	100%
	Subtask 8.5 Secure USACOE 404 Permit	-	\$12,820	\$0	\$0	\$12,820	\$0	\$12,820	\$0	\$0	\$12,820	100%
	Subtask 8.6 Secure Caltrans Encroachment Permit	-	\$12,820	\$0	\$0	\$12,820	\$0	\$12,820	\$0	\$0	\$12,820	100%
	Subtask 8.7 Secure Santa Barbara County Flood Control Permit	-	\$12,820	\$0	\$0	\$12,820	\$0	\$12,820	\$0	\$0	\$12,820	100%
	Subtask 8.8 Secure City Land Use Permit	-	\$12,820	\$0	\$0	\$12,820	\$0	\$12,820	\$0	\$0	\$12,820	100%
(d)	Construction/Implementation	-	\$10,049,074	\$100,000	\$5,000,000	\$15,149,074	\$9,887	\$15,158,961	\$1,202,428	\$750,000	\$17,111,389	89%
	Task 9: Construction Contracting	-	\$0	\$0	\$0	\$0	\$9,887	\$9,887	\$0	\$0	\$9,887	100%
	Subtask 9.1 Advertise for Construction	-	\$0	\$0	\$0	\$0	\$4,878	\$4,878	\$0	\$0	\$4,878	100%
	Subtask 9.2 Contract Approval, Award and NTP	-	\$0	\$0	\$0	\$0	\$5,009	\$5,009	\$0	\$0	\$5,009	100%
	Task 10: Construction	-	\$10,049,074	\$100,000	\$5,000,000	\$15,149,074	\$0	\$15,149,074	\$1,202,428	\$750,000	\$17,101,502	89%
	Subtask 10.1 Mobilization and Site Preparation	-	\$498,102	\$0	\$0	\$498,102	\$0	\$498,102	\$0	\$0	\$498,102	100%
	Subtask 10.2 Project Construction	-	\$9,550,972	\$100,000	\$5,000,000	\$14,650,972	\$0	\$14,650,972	\$1,202,428	\$750,000	\$16,603,400	88%
	10.2.1 Pile Placement	-	\$5,600,000	\$0	\$0	\$5,600,000	\$0	\$5,600,000	\$0	\$0	\$5,600,000	100%
	10.2.2 Channel Construction	-	\$3,950,972	\$100,000	\$5,000,000	\$9,050,972	\$0	\$9,050,972	\$1,202,428	\$750,000	\$11,003,400	82%
	Subtask 10.3 Demobilization and Construction Closeout	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0%
(e)	Environmental Compliance/ Mitigation/Enhancement	-	\$350,000	\$0	\$0	\$350,000	\$0	\$350,000	\$0	\$0	\$350,000	100%
	Task 11: Environmental Compliance	-	\$350,000	\$0	\$0	\$350,000	\$0	\$350,000	\$0	\$0	\$350,000	100%
	Subtask 11.1 Pre-Construction Surveys	-	\$100,000	\$0	\$0	\$100,000	\$0	\$100,000	\$0	\$0	\$100,000	100%
	Subtask 11.2 Construction Monitoring	-	\$100,000	\$0	\$0	\$100,000	\$0	\$100,000	\$0	\$0	\$100,000	100%
	Subtask 11.3 Post-Construction Planting, Mitigation Planting and Plant Establishment	-	\$150,000	\$0	\$0	\$150,000	\$0	\$150,000	\$0	\$0	\$150,000	100%
(f)	Construction Administration	-	\$1,751,150	\$0	\$0	\$1,751,150	\$0	\$1,751,150	\$0	\$0	\$1,751,150	100%
	Task 12: Construction Administration	-	\$1,751,150	\$0	\$0	\$1,751,150	\$0	\$1,751,150	\$0	\$0	\$1,751,150	100%
	Subtask 12.1 Constructability Review	-	\$30,000	\$0	\$0	\$30,000	\$0	\$30,000	\$0	\$0	\$30,000	100%
	Subtask 12.2 Construction Administration and Management	-	\$1,721,150	\$0	\$0	\$1,721,150	\$0	\$1,721,150	\$0	\$0	\$1,721,150	100%
(g)	Other Costs	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0%
(h)	Construction/Implementation Contingency (10%)	-	\$1,721,150	\$0	\$0	\$1,721,150	\$0	\$1,721,150	\$0	\$0	\$1,721,150	100%
(i)	Grand Total (Sum rows (a) through (h) for each column)	-	\$16,128,091	\$100,000	\$5,000,000	\$21,228,091	\$230,569	\$21,458,660	\$1,202,428	\$750,000	\$23,411,088	91.7%
*List sources of funding: City of Goleta has secured a total cash funding match of \$21,228,091 in addition to \$750,000 in other state funds from the California Dept. of Fish and Game (grant funds for the construction of the fish passage channel). Available supporting documentation is provided in Appendix 4-4. The cash funding match sources are as follows: - Goleta Valley Land Trust (GVLТ) – contributing \$100,000 toward the construction of the fish passage channel for its environmental and recreational benefits. - Santa Barbara County Flood Control District - contributing \$5,000,000 toward project construction. City of Goleta Redevelopment Agency (RDA) is also contributing \$16,128,091 in direct cash funding match in addition to \$230,569 funding match in the form of in-kind services (employee labor time) for work performed on project administration and development of financing, labor compliance, reporting, negotiating right-of-way land aquisitions/easements, permitting, and construction contracting tasks. A copy of the signed In-Kind Funding Match Labor Hours form is included in Appendix 4-4, which documents the estimated labor hours and bill rate information for each City and RDA employee working directly on this project. Please note that Subtask 10.3 Demobilization and Construction Closeout costs are included in Subtask 10.2.2 Channel Construction. The City follows Caltrans Bid Item protocol which does not have a separate bid item for Demobilization and Construction Closeout.												

Budget Category (c): Planning/Design/Engineering/Environmental Documentation

The tasks associated with this budget category (Tasks 5, 6, 7, and 8) are completely supported by funding match in the amount of \$1.8 million from the City RDA. This estimate includes both City cash match (\$1.8 million), as well as in-kind City employee labor time (\$5,988).

The City RDA is contributing \$1.8 million in cash funding match toward the completion of the hydraulic models (Task 5), design (Task 6), and permitting (Task 8). The estimates for completing the hydraulic models are based on the work performed by Northwest Hydraulic Consultants (NHC) and Bengal Engineering, and the professional services agreements between these consultants and the City are included in Appendix 4-4. Design and permitting efforts were also completed by Bengal Engineering, as indicated in the professional services agreement included in Appendix 4-4.

The City RDA is contributing \$5,988 funding match in the form of in-kind services (employee labor time) for the permitting efforts (Task 8) including work performed to secure the CDFG Permit (Subtask 8.3) and the Regional Water Quality Control Board (RWQCB) Section 401 Permit (Subtask 8.4). This estimate is based on the labor time anticipated to be spent by the City CIP Manager, Project Manager, Management Analyst, and Community Services Director to complete these tasks. A copy of the signed In-Kind Funding Match Labor Hours form is included in Appendix 4-4.

Tasks that have already been completed include development of the hydraulic models (Task 5), the preliminary and final design (Task 6), and the environmental documentation for MND (Task 7). Much of the permitting efforts (Task 8) are well underway and are anticipated to be secured before the grant award date.

The MND (Task 7) was originally completed prior to September 30, 2008, and the City confirmed with the governing board that the original MND is still valid for this Project. Task 7 is included in Table 7-4 for completeness, but is shown as zero costs per DWR instructions. The funding match is not associated with this task.

Budget Category (d): Construction/Implementation

Project construction and implementation tasks are funded by cash match (\$15.1 million), in-kind City RDA match (\$9,887 million), Prop 84 grant funds (\$1.2 million), and CDFG grant funds (\$750,000) for an estimated total construction cost of \$17.1 million. The above-stated cash match includes contributions from the County in the amount of \$5 million, as well as GVLТ in the amount of \$100,000 and the City RDA in the amount of \$10 million. The funding from GVLТ, the County, Prop 84 grant funds, and CDFG grant funds will only be applied to the construction of the channel (Subtask 10.2.2). Construction contracting (Task 9) will be supported entirely by in-kind City RDA match, and much of the construction (Task 10) will be supported by City RDA cash funding match.

Subtask 10.3, Demobilization and Construction Closeout, costs are included in Subtask 10.2.2, Channel Construction. The City follows Caltrans Bid Item protocol, which does not have a separate bid item for Demobilization and Construction Closeout.

The City RDA is contributing a \$9,887 funding match in the form of in-kind services (employee labor time) for construction contracting efforts (Task 9). This estimate is based on the labor time anticipated to be spent by the City CIP Manager, Project Manager, Management Analyst, Environmental Services Coordinator, Principal Civil Engineer, City Attorney, Community Services Director, and City Clerk to complete this task. A copy of the signed In-Kind Funding Match Labor Hours form is included in Appendix 4-4.

The entire requested grant amount of \$1.2 million is to be applied toward the construction of the channel as identified in the construction contract. The construction cost estimates are based on the Engineer's Estimate of Probable Construction Costs prepared by Bengal Engineering in June 2010, which is included in Appendix 4-4. The \$1.2 million will go toward paying for the actual construction contract items and will be used to pay the construction company. Grant funds will not be used for inspection, design, staff time, environmental monitoring or mitigation efforts.

By the time of the grant award date (June 1, 2011), construction contracting (Task 9) will be completed, and construction (Task 10) will have been initiated. Most of the construction subtasks will take place following the grant award date.

Budget Category (e): Environmental Compliance/Mitigation/Enhancement

Environmental compliance and mitigation efforts (Task 11) will be completely supported by funding match. The City RDA is contributing \$350,000 cash funding match to conduct pre-construction surveys (Subtask 11.1), construction monitoring (Subtask 11.2), and post-construction revegetation of disturbed landscape (Subtask 11.3). The City has retained Cardno ENTRIX, the environmental subconsultant to Bengal Engineering, to perform environmental work; the cost estimates listed herein are based on the consultant's estimated fees as listed in the Professional Services Agreement with Bengal Engineering included in Appendix 4-4.

Budget Category (f): Construction Administration

Construction administration (Task 12) is completely supported by funding match. The City RDA is contributing \$1.75 million cash funding match to conduct a constructability review (Subtask 12.1) and provide overall construction administration and management services (Subtask 12.2). This work will be done by a hired construction contractor, and the cost estimates listed herein are based on the anticipated contractor fees as estimated by Bengal Engineering in the Engineer's Estimate of Probable Construction Costs, which is included in Appendix 4-4.

Budget Category (g): Other Costs

No other costs are anticipated for this Project.

Budget Category (h): Construction/Implementation Contingency

The estimated construction contingency for this Project is \$1.7 million and was calculated as 10 percent of the total construction costs, as estimated by Bengal Engineering in the Engineer's Estimate of Probable Construction Costs in June 2010, which is included in Appendix 4-4. The contingency cost is supported completely by City RDA cash funding match.

Introduction to Project 5: Central Coast Water Authority (CCWA), Water Supply Reliability and Infrastructure Improvement Project

The Water Supply Reliability and Infrastructure Improvement Project (Project 5 or Project) has an estimated total cost of \$752,500, and CCWA is requesting \$321,428 in Prop 84 Implementation Grant funding. The requested grant funding will be applied toward several budget categories, with a majority of the grant funding applied toward construction and implementation of the pipeline repair. CCWA will contribute \$431,072 in matching funds, which equates to greater than a 57 percent funding match for this Project.

Funding Sources

Cash Funding Match

CCWA is a joint powers authority funded by its members. Matching funds for this Project contributed by each of the CCWA participants are summarized in Exhibit 4.5-1.

EXHIBIT 4.5-1

CCWA Participants

CCWA Participant	Percent Contribution to Matching Fund	Contract Entitlement to Reach SYII (AF)
Carpinteria Valley Water District	12.7	2,000
Goleta Water District	28.6	4,500
La Cumbre Mutual Water Company	6.4	1,000
Montecito Water District	19.0	3,000
Morehart Land Company	1.3	200
City of Santa Barbara	19.0	3,000
Raytheon Systems Company	0.3	50
Santa Ynez River Water Conservation District - Improvement District (ID) No. 1	12.7	2,000
Total	100.0%	15,750 AF

Source: Memorandum of Understanding, April 2010.

Appendix 4-5 includes a copy of the Memorandum of Understanding between CCWA and the Santa Barbara County Water Agency, dated April 2010. The percent contributions by each CCWA participant are based on the contracted entitlements for Reach SYII. Santa Ynez ID No. 1 previously owned Reach SYII and retains rights to the pipeline; consequently, they also share in the financial responsibility for the Project, and the cost share is estimated to be similar to that of Carpinteria Valley Water District. A map illustrating the relative financial responsibilities by reach is provided in Appendix 4-5.

In-Kind Funding Match

CCWA has not included costs associated with in-kind contribution of staff labor. This is consistent with the way CCWA manages their capital improvement projects. The CCWA Board of Directors approves all capital project budgets as part of the annual agency budget approval process. Because costs for staff compensation are presented as separate line items in the budget, only costs for outside services and materials are presented for budget approval. To include staff time in the capital project budget would essentially be double billing. CCWA is a pass-through agency where all costs for the agency are paid by the CCWA participants. All money not spent in a fiscal year is either refunded or credited to each CCWA participant.

Costs Incurred Prior to September 30, 2008

With the exception of Subtask 1.1.1, Secure CCWA Board Approval to Initiate Project, and Subtask 1.2.1, CCWA Board Authorization of Budget, each of the completed tasks and subtasks identified herein was performed after September 30, 2008. Each of the costs identified in the budget was incurred after September 30, 2008.

Project 4 Detailed Budget

A detailed estimate of Project costs is presented in Table 7-5. An explanation of how the costs were developed is presented herein for each budget category, and supporting documentation is provided in Appendix 4-5.

Budget Category (a): Direct Project Administration Costs

The direct Project administration costs are supported by CCWA funding match in the amount of \$18,500. This estimate covers the costs associated with legal review of the Project procurement documents (Task 2, Labor Compliance), including the Request for Qualifications (RFQ) and Request for Bids (RFB). The total cost incurred for legal review of the RFQ was \$9,250, and legal review of the RFB is anticipated to require a similar level of effort by Brownstein Hyatt Faber, CCWA's legal counsel. CCWA Board meeting minutes detailing budget approvals, as well as a memorandum prepared by CCWA summarizing incurred Project costs to date are included in Appendix 4-5.

The remaining tasks in this budget category (Tasks 1 and 3) are supported by CCWA in-kind employee labor hours; however, in-kind match is not included in Project 5 for reasons previously stated.

CCWA Board approval to initiate the Project (Subtask 1.1.1) and authorization of the budget (Subtask 1.2.1) were initiated prior to September 30, 2008; these subtasks are included in Table 7-5 for completeness, but are shown as "0" costs per DWR instructions. The funding match and requested grant amount are not associated with these two subtasks.

Table 7-5 Project 5 Budget									
Proposal Title: <u>Santa Barbara County Region Prop 84 IRWM Implementation Grant Application – Round 1</u>									
Project 5 Title: <u>Central Coast Water Authority (CCWA), Water Supply Reliability and Infrastructure Improvement Project</u>									
Budget Category		Task Completed Before 9/30/2008	(a)			(b)	(c)	(d)	(e)
			Non-State Share* (Funding Match)			Requested Grant Funding	Other State Funds Being Used	Total	% Funding Match
			Cash Funding Match	In-Kind Funding Match	Total Funding Match (Cash + In-Kind)				
(a)	Direct Project Administration Costs	-	\$18,500	-	\$18,500	\$0	\$0	\$18,500	100%
	Task 1: Project Administration and Development of Financing	-	\$0	-	\$0	\$0	\$0	\$0	0%
	Subtask 1.1 Project Administration (Complete)	-	\$0	-	\$0	\$0	\$0	\$0	0%
	1.1.1 Secure CCWA Board Approval to Initiate Project (Complete)	X	\$0	-	\$0	\$0	\$0	\$0	0%
	1.1.2 Prepare Request For Qualifications (RFQ) (Complete)	-	\$0	-	\$0	\$0	\$0	\$0	0%
	1.1.3 Issue RFQ and Evaluate Responses (Complete)	-	\$0	-	\$0	\$0	\$0	\$0	0%
	1.1.4 Award Contract for Engineering Services (Complete)	-	\$0	-	\$0	\$0	\$0	\$0	0%
	1.1.5 Secure CCWA Board Approval to Continue Project (Complete)	-	\$0	-	\$0	\$0	\$0	\$0	0%
	Subtask 1.2 Development of Financing (Complete)	-	\$0	-	\$0	\$0	\$0	\$0	0%
	1.2.1 CCWA Board Authorization of Budget (Complete)	X	\$0	-	\$0	\$0	\$0	\$0	0%
	1.2.2 Memorandum of Understanding with Prop 84 Cooperating Partners (Complete)	-	\$0	-	\$0	\$0	\$0	\$0	0%
	Task 2: Labor Compliance	-	\$18,500	-	\$18,500	\$0	\$0	\$18,500	100%
	Subtask 2.1 Legal Review of RFQ (Complete)	-	\$9,250	-	\$9,250	\$0	\$0	\$9,250	100%
	Subtask 2.2 Legal Review of Request For Bids (RFB)	-	\$9,250	-	\$9,250	\$0	\$0	\$9,250	100%
	Task 3: Reporting	-	\$0	-	\$0	\$0	\$0	\$0	0%
	Subtask 3.1 CCWA Board Reporting	-	\$0	-	\$0	\$0	\$0	\$0	0%
	Subtask 3.2 Complete Quarterly, Annual, and Final Reports as Specified in the Grant Agreement	-	\$0	-	\$0	\$0	\$0	\$0	0%
	Subtask 3.3 Design Data Management Approach	-	\$0	-	\$0	\$0	\$0	\$0	0%
	Subtask 3.4 Monitoring, Assessment, and Performance Measurement	-	\$0	-	\$0	\$0	\$0	\$0	0%
(b)	Land Purchase/Easement (N/A)	-	\$0	-	\$0	\$0	\$0	\$0	0%
(c)	Planning/Design/Engineering/ Environmental Documentation	-	\$65,000	-	\$65,000	\$65,000	\$0	\$130,000	50%
	Task 4: Assessment and Evaluation (Complete)	-	\$19,650	-	\$19,650	\$19,650	\$0	\$39,300	50%
	Subtask 4.1 Biological Survey (Complete)	-	\$2,150	-	\$2,150	\$2,150	\$0	\$4,300	50%
	Subtask 4.2 Engineering Review of Repair Alternatives (Complete)	-	\$17,500	-	\$17,500	\$17,500	\$0	\$35,000	50%
	Task 5: Preliminary Design	-	\$18,050	-	\$18,050	\$18,050	\$0	\$36,100	50%
	Subtask 5.1 Topographical Survey	-	\$3,750	-	\$3,750	\$3,750	\$0	\$7,500	50%
	Subtask 5.2 Geotechnical Investigation	-	\$4,200	-	\$4,200	\$4,200	\$0	\$8,400	50%
	Subtask 5.3 Conceptual Design	-	\$4,500	-	\$4,500	\$4,500	\$0	\$9,000	50%
	Subtask 5.4 Design Permit Support	-	\$3,600	-	\$3,600	\$3,600	\$0	\$7,200	50%
	Subtask 5.5 Coordination Meetings	-	\$2,000	-	\$2,000	\$2,000	\$0	\$4,000	50%
	Task 6: Final Design	-	\$19,700	-	\$19,700	\$19,700	\$0	\$39,400	50%
	Subtask 6.1 Detailed Construction Design	-	\$12,500	-	\$12,500	\$12,500	\$0	\$25,000	50%
	Subtask 6.2 Construction Specifications	-	\$2,700	-	\$2,700	\$2,700	\$0	\$5,400	50%
	Subtask 6.3 Design Submittals and Review Meetings	-	\$3,600	-	\$3,600	\$3,600	\$0	\$7,200	50%
	Subtask 6.4 Engineer's Construction Cost Estimate	-	\$900	-	\$900	\$900	\$0	\$1,800	50%
	Task 7: Environmental Documentation	-	\$1,600	-	\$1,600	\$1,600	\$0	\$3,200	50%
	Subtask 7.1 Preparation of CEQA Preliminary Study	-	\$1,600	-	\$1,600	\$1,600	\$0	\$3,200	50%
	Subtask 7.2 Coordination of CEQA Review	-	\$0	-	\$0	\$0	\$0	\$0	0%
	Task 8: Permitting	-	\$6,000	-	\$6,000	\$6,000	\$0	\$12,000	50%
	Subtask 8.1 Prepare 404 Streambed Alteration Permit Application	-	\$2,000	-	\$2,000	\$2,000	\$0	\$4,000	50%
	Subtask 8.2 Prepare 401 Water Quality Certification Application	-	\$2,000	-	\$2,000	\$2,000	\$0	\$4,000	50%
	Subtask 8.3 Prepare 1601 Streambed Alteration Permit Application	-	\$2,000	-	\$2,000	\$2,000	\$0	\$4,000	50%

Table 7-5 Project 5 Budget									
Proposal Title: <u>Santa Barbara County Region Prop 84 IRWM Implementation Grant Application – Round 1</u>									
Project 5 Title: <u>Central Coast Water Authority (CCWA), Water Supply Reliability and Infrastructure Improvement Project</u>									
Budget Category		Task Completed Before 9/30/2008	(a)			(b)	(c)	(d)	(e)
			Non-State Share* (Funding Match)			Requested Grant Funding	Other State Funds Being Used	Total	% Funding Match
			Cash Funding Match	In-Kind Funding Match	Total Funding Match (Cash + In-Kind)				
(d)	Construction/Implementation	-	\$258,072	-	\$258,072	\$241,928	\$0	\$500,000	52%
	Task 9: Construction Contracting	-	\$0	-	\$0	\$0	\$0	\$0	0%
	Subtask 9.1 Advertise RFB	-	\$0	-	\$0	\$0	\$0	\$0	0%
	Subtask 9.2 Pre-Bid Walk	-	\$0	-	\$0	\$0	\$0	\$0	0%
	Subtask 9.3 Bid Opening	-	\$0	-	\$0	\$0	\$0	\$0	0%
	Subtask 9.4 Present Bid Results to CCWA Board	-	\$0	-	\$0	\$0	\$0	\$0	0%
	Subtask 9.5 Process Contract NOA/NTP	-	\$0	-	\$0	\$0	\$0	\$0	0%
	Task 10: Construction	-	\$258,072	-	\$258,072	\$241,928	\$0	\$500,000	52%
	Subtask 10.1 Point Replacement with Concrete Encasement	-	\$154,844	-	\$154,844	\$145,157	\$0	\$300,001	52%
	Subtask 10.2 Subsurface Riprap Installation	-	\$103,228	-	\$103,228	\$96,771	\$0	\$199,999	52%
(e)	Environmental Compliance/ Mitigation/Enhancement	-	\$2,000	-	\$2,000	\$2,000	\$0	\$4,000	50%
	Task 11: Environmental Compliance	-	\$2,000	-	\$2,000	\$2,000	\$0	\$4,000	50%
	Subtask 11.1 Pre-Construction Inspection	-	\$900	-	\$900	\$900	\$0	\$1,800	50%
	Subtask 11.2 Construction Inspection	-	\$900	-	\$900	\$900	\$0	\$1,800	50%
	Subtask 11.3 Post-Construction Inspection	-	\$200	-	\$200	\$200	\$0	\$400	50%
(f)	Construction Administration	-	\$12,500	-	\$12,500	\$12,500	\$0	\$25,000	50%
	Task 12: Construction Administration	-	\$12,500	-	\$12,500	\$12,500	\$0	\$25,000	50%
	Subtask 12.1 Submittal Review	-	\$1,500	-	\$1,500	\$1,500	\$0	\$3,000	50%
	Subtask 12.2 Request For Information Response	-	\$2,000	-	\$2,000	\$2,000	\$0	\$4,000	50%
	Subtask 12.3 Materials Testing	-	\$6,100	-	\$6,100	\$6,100	\$0	\$12,200	50%
	Subtask 12.4 Bidding Support	-	\$2,000	-	\$2,000	\$2,000	\$0	\$4,000	50%
	Subtask 12.5 Site Inspection	-	\$900	-	\$900	\$900	\$0	\$1,800	50%
(g)	Other Costs	-	\$0	-	\$0	\$0	\$0	\$0	0%
(h)	Construction/Implementation Contingency (15%)	-	\$75,000	-	\$75,000	\$0	\$0	\$75,000	100%
(i)	Grand Total (Sum rows (a) through (h) for each column)	-	\$431,072	-	\$431,072	\$321,428	\$0	\$752,500	57.3%
*List sources of funding: CCWA participants, as authorized by the CCWA Board of Directors. Participants include: Carpinteria Valley Water District, Goleta Water District, La Cumbre Mutual Water Company, Montecito Water District, Morehart Land Company, City of Santa Barbara, Raytheon Systems Company and Santa Ynez River Water Conservation District - Improvement District No. 1. CCWA Board meeting minutes detailing budget approvals and other supporting documentation are included in Appendix 4-5. Please note that each of the tasks listed herein without any costs identified have already been completed or will be completed by CCWA staff. However, CCWA has not included in-kind employee labor hours as funding match for the reasons explained in Attachment 4, Budget. This includes Task 1, Task 3, Subtask 7.2, and Task 9.									

Budget Category (b): Land Purchase/Easement

Project 5 does not require the purchase of land or an easement to use the land; therefore, the budgeted costs are equal to zero. The easement for the existing pipeline is already owned by CCWA; therefore, land and easement acquisition are not part of the Project.

Budget Category (c): Planning/Design/Engineering/Environmental Documentation

The tasks associated with this budget category include Tasks 4 through 8; these tasks will be supported equally by CCWA funding match (\$65,000) and Prop 84 grant funds (\$65,000). The total estimated cost of Task 4, Assessment and Evaluation, is \$39,300, which will be equally supported by CCWA and Prop 84 grant funds. Each of the subtasks identified under Task 4, including the biological survey (performed by SAIC and Penfield Smith) and engineering review of repair alternatives (performed by AECOM), has been completed, and the costs incurred are substantiated by a memorandum prepared by CCWA summarizing incurred Project costs to date. This and a copy of AECOM's proposal are included in Appendix 4-5.

The total estimated costs to complete the preliminary design (Task 5), final design (Task 6), environmental documentation (Task 7), and permitting (Task 8) are based on the proposal received from AECOM, the engineering consulting firm retained by CCWA to perform the work. Each of these tasks will be supported equally by CCWA and Prop 84 grant funds. CCWA employee labor time is not included in this cost estimate, which explains why there are no costs listed for Subtask 7.2, Coordination of CEQA Review. CCWA Board meeting minutes detailing budget approvals and the engineering proposal from AECOM are included in Appendix 4-5.

Budget Category (d): Construction/Implementation

Project 5 construction and implementation tasks will be supported by CCWA funding match (\$258,072) and Prop 84 grant funds (\$241,928). Both CCWA and Prop 84 grant funds will be applied toward pipeline repair construction, including point replacement (Subtask 10.1) and subsurface riprap installation (Subtask 10.2). These order of magnitude cost estimates were based on unit costs obtained from similar local projects and are presented in the Engineering Review of Pipeline Repair Alternatives Technical Memorandum (TM) prepared by AECOM in April 2010. CCWA Board meeting minutes detailing budget approvals and the AECOM TM are included in Appendix 4-5.

EXHIBIT 4.5-2

Summary of Construction Costs

Equipment	Unit Cost	Units	Capital Cost	Source of Information
Point Replacement	\$1000/FT	300 FT	\$300,000	AECOM TM, April 2010
Riprap	\$80/SF	2,500 SF	\$200,000	AECOM TM, April 2010
Total Construction Cost			\$500,000	

Construction contracting (Task 9) will be supported by CCWA in-kind employee labor hours; however, in-kind match is not included in Project 5 for reasons previously stated.

Budget Category (e): Environmental Compliance/Mitigation/Enhancement

Environmental compliance efforts (Task 11) are supported equally by CCWA funding match (\$2,000) and Prop 84 grant funds (\$2,000). The environmental compliance inspection cost estimates are based on the anticipated costs for SAIC, the environmental consulting firm retained by CCWA to perform the work, to confirm the previous findings of the 2009 biological survey for red-leg frogs. The inspection costs are anticipated to be similar to those already incurred by SAIC to perform the biological survey, which are included in a memorandum prepared by CCWA (included in Appendix 4-5), which summarizes incurred Project costs to date.

Budget Category (f): Construction Administration

Construction administration (Task 12) will be supported equally by CCWA funding match (\$12,500) and Prop 84 grant funds (\$12,500). These costs are based on the proposal received from AECOM, the engineering consultant retained by CCWA to perform the work. CCWA employee labor time is not included in this cost estimate. Appendix 4-5 includes a copy of AECOM's proposed fee schedule.

Budget Category (g): Other Costs

No other costs are anticipated for this Project.

Budget Category (h): Construction/Implementation Contingency

The estimated construction contingency for this Project is \$75,000 and was calculated as 15 percent of the total construction costs. The contingency cost is supported entirely by CCWA funding match and is estimated based on CCWA's experience with similar projects. In addition, the construction costs estimated by AECOM represent order of magnitude cost estimates; therefore, a contingency factor is inherently imbedded within the construction estimates listed previously in budget category (d).

Introduction to Project 6: Goleta Sanitary District (GSD), Wastewater Treatment Plant Upgrade

The GSD Wastewater Treatment Plant Upgrade (Project 6 or Project) has an estimated total Project cost of \$30.7 million, and GSD is requesting \$521,428 in Prop 84 Implementation Grant funding. The requested grant funding will be applied toward construction and implementation of the secondary clarifiers. The District has secured \$10.2 million in matching funds, which equates to a 33 percent funding match for this Project.

Project Phases

As discussed in Attachment 3, Work Plan, the entire wastewater treatment plant (WWTP) upgrade is a three-phase process, with Phase 1 described herein as Project 6. The estimates described in this attachment represent only those costs associated with this first phase, or Project 6. Phases 2 and 3 are not part of this application and will not be funded by Prop 84 Round 1 grant funding. It is important to note that the supporting documentation provided in Appendix 4-6 discloses the costs for the entire three-phase upgrade; however, only those costs associated with Phase 1 pertain to Project 6 for the purposes of this grant application. For completeness of the application, the three phases are described in Exhibit 4.6-1.

EXHIBIT 4.6-1

WWTP Upgrade Phases

Phase	Description	Funding Source	Timing
1	Construction of WWTP structures that have the primary function of treating wastewater to the full secondary level, primarily including the aeration basins and secondary clarifiers and associated blower building	GSD budget; CWSRF Loan; participating local agencies; and Prop 84 (Round 1)	Mobilize by 4/2011 and complete construction and installation by 5/2013
2	Construction of new biofilter and solids handling building, as well as conversion of the solids stabilization basin into a primary flow equalization basin	GSD budget; CWSRF Loan; and participating local agencies	Prior to or in conjunction with Phase 1
3	Installation of a cogeneration unit that will convert the methane gas generated in the anaerobic digestion process into heat and electricity	GSD budget; CWSRF Loan; and participating local agencies	Following completion of Phases 1 and 2; scheduled to be complete by 4/2014

CWSRF = Clean Water State Revolving Fund

Funding Sources

Cash Funding Match

Matching funds contributed by local agencies toward the construction and implementation of Project 6 are summarized in Exhibit 4.6-2. GSD will be responsible for 47.87 percent of the total cash match, while the other four contract users listed above will be responsible for 52.13 percent of the cash match, for a combined total of nearly \$10 million in cash match (not including in-kind estimates). Appendix 4-6 includes a copy of the agreement signed by each of the contract users between June and December 2007, confirming their financial commitment to this Project.

EXHIBIT 4.6-2

Local Funding Agencies

Local Agency	Percent Contribution to Matching Fund
GSD	47.87
Goleta West Sanitary District (GWSD)	40.78
University of California at Santa Barbara (UCSB)	7.09
City of Santa Barbara Airport (Airport)	2.84
County of Santa Barbara (County)	1.42
Source: Third Amendment to Agreement for Expansion of the GSD Sewage Disposal Treatment Plant Facilities, signed by each of the contract users between June and December 2007.	

GSD operations are funded by sewer service charges collected from property owners in the sewer system service area. Currently, the annual fee is \$442.32 per residence. The sewer service charges have been increased twice to help pay for the WWTP upgrade: A \$3.31 increase in the monthly sewer service charge for FY 2007/2008; and an \$8.00 increase in the monthly sewer service charge for FY 2008/2009. These amounts have been collected and deposited into a separate fund to pay for this Project. The April 2007 and April 2008 Proposition 218 notices, which informed property owners of the sewer service rate increases, are provided in Appendix 4-6.

As of October 1, 2010, the balance in this GSD fund was \$6.5 million. The available funds are applied toward the incurred costs such as those related to environmental compliance, engineering design, and permitting, and the remaining funds will be applied toward construction of Project 6.

In-Kind Funding Match

GSD is also contributing at least \$227,206 funding match in the form of in-kind services (employee labor time) for Project administration, reporting, design, engineering, environmental documentation, permitting, and construction contracting tasks. The in-kind estimates listed herein are anticipated to be conservative estimates over the next 3 years. A copy of the signed In-Kind Funding Match Labor Hours form is included in

Appendix 4-6, which documents the estimated labor hours and bill rate information for each District employee working directly on this Project.

Other State Funds

GSD applied for a CWSRF loan in the amount of \$24.4 million (for the entire three-phase upgrade); an estimated \$20 million from this loan is to be applied toward construction of Project 6. Per DWR instructions, this CWSRF loan funding amount is not counted as match and is instead listed as “other state funds.” The application was submitted to the State Water Resources Control Board (SWRCB) in October 2008, and the funding commitment letter was received in December 2010. The CWSRF Facility Plan Approval and Preliminary Funding Commitment documents are included in Appendix 4-6.

Costs Incurred Prior to September 30, 2008

Several of the tasks identified herein were performed before September 30, 2008, and are included to demonstrate that the appropriate steps have been taken to make implementation feasible. For the purpose of this application, costs associated with these prior tasks are not included in the Project budget and are shown as zero in Table 7-6 per DWR instructions. Thus, each of the costs identified in the budget was incurred after September 30, 2008.

Project 6 Detailed Budget

A detailed estimate of Project costs is presented in Table 7-6. An explanation of how the costs were developed is presented herein for each budget category, and supporting documentation is provided in Appendix 4-6.

A number of the tasks and subtasks described herein have been or will be completed by third-party engineering consultant firms. HDR Engineering Inc. (HDR) has been hired by GSD to complete the design, prepare and evaluate the construction contract bids, and provide engineering services during construction. Dudek has been hired by GSD to provide construction management services during construction.

Budget Category (a): Direct Project Administration Costs

The direct Project administration costs are completely supported by funding match in the amount of \$313,256. This estimate includes both cash funding match (\$148,050) and in-kind funding match (\$165,206).

GSD and the other contract users will contribute an estimated \$148,050 in direct cash match toward Project administration (Subtask 1.1) and labor compliance (Task 2) in support of Project 6. This estimate is based on the fee schedules provided by the consulting engineering firms hired to design and construct the Project. HDR has been retained by GSD to perform a majority of the Project administration (Subtasks 1.1.1 and 1.1.3), while Dudek conducted the constructability review (Subtask 1.1.2) and will

develop the labor compliance program (Task 2). Proposals from both HDR and Dudek are provided in Appendix 4-6.

GSD is also contributing \$165,206 funding match in the form of in-kind services (employee labor time) for Project administration and reporting. This estimate is based on the labor time anticipated to be spent by the District General Manager, Technical Services Supervisor, and Operations Manager on Project administration and management of the overall process (Subtask 1.1), as well as reporting as required by the grant agreement (Task 3). A copy of the signed In-Kind Funding Match Labor Hours form is included in Appendix 4-6.

The efforts put forth in developing the financing for this Project (Subtask 1.2) were completed prior to September 30, 2008; the subtasks are included in Table 7-6 for completeness, but are shown as zero costs per DWR instructions. The funding match is not associated with these subtasks. As shown in Attachment 5, Schedule, GSD submitted the application to the SWRCB for a CWSRF loan (Subtask 1.2.4) in October 2008; however, the efforts put forth in preparing and submitting the application were largely performed prior to September 30, 2008, and therefore the costs associated with this subtask are not included.

Budget Category (b): Land Purchase/Easement

Project 6 does not require the purchase of land or an easement to use the land because the Project will be constructed on GSD property; therefore, the budgeted costs are equal to zero.

Budget Category (c): Planning/Design/Engineering/Environmental Documentation

The tasks associated with this budget category include Tasks 4 through 7 and are completely supported by funding match in the amount of \$3.04 million. This estimate includes both cash funding match (\$3.0 million) and in-kind funding match (\$42,000). A majority of these tasks, with the exception of Task 7, Permitting, have already been completed.

GSD and the other contract users will contribute nearly \$3 million in direct cash match toward engineering, design, environmental documentation, and permitting tasks. This estimate is based on the fee schedule provided by the consulting engineering firm hired to design the Project. HDR performed a majority of the design engineering tasks, including the value engineering study (Subtask 4.4) and final design (Task 5). Tetra Tech Inc. prepared the second MND (Subtask 6.3). The MND was the basis for estimating environmental compliance costs; the first draft of the MND was submitted prior to September 2008, and the second draft, which addressed the review comments received on the first draft, was approved and adopted in September 2009. Permitting (Task 7) will be conducted by GSD and HDR. HDR's engineering services proposal and professional services agreement with GSD are provided in Appendix 4-6.

Table 7-6 Project 6 Budget									
Proposal Title: <u>Santa Barbara County Region Prop 84 IRWM Implementation Grant Application – Round 1</u>									
Project 6 Title: <u>Goleta Sanitary District (GSD), Wastewater Treatment Plant Upgrade</u>									
Budget Category		Task Completed Before 9/30/2008	(a)			(b)	(c)	(d)	(e)
			Non-State Share* (Funding Match)			Requested Grant Funding	Other State Funds Being Used	Total	% Funding Match
			Cash Funding Match	In-Kind Funding Match	Total Funding Match (Cash + In-Kind)				
(a)	Direct Project Administration Costs	-	\$148,050	\$165,206	\$313,256	\$0	\$0	\$313,256	100%
	Task 1: Project Administration and Development of Financing	-	\$138,050	\$70,200	\$208,250	\$0	\$0	\$208,250	100%
	Subtask 1.1 Project Administration	-	\$138,050	\$70,200	\$208,250	\$0	\$0	\$208,250	100%
	1.1.1 Project Administration	-	\$71,300	\$56,160	\$127,460	\$0	\$0	\$127,460	100%
	1.1.2 Constructability Review (Complete)	-	\$50,550	\$7,020	\$57,570	\$0	\$0	\$57,570	100%
	1.1.3 Preparation of pre-qualification requirements and evaluation of applicants (Complete)	-	\$16,200	\$7,020	\$23,220	\$0	\$0	\$23,220	100%
	Subtask 1.2 Development of Financing (Complete)	X	\$0	\$0	\$0	\$0	\$0	\$0	0%
	1.2.1 Confirm financial commitment of contract users (Complete)	X	\$0	\$0	\$0	\$0	\$0	\$0	0%
	1.2.2 Proposition 218 Notification of sewer service rate increase (Complete)	X	\$0	\$0	\$0	\$0	\$0	\$0	0%
	1.2.3 Proposition 218 Notification of second sewer service rate increase (Complete)	X	\$0	\$0	\$0	\$0	\$0	\$0	0%
	1.2.4 Submit application to SWRCB for Clean Water State Revolving Fund Loan (Complete)	X	\$0	\$0	\$0	\$0	\$0	\$0	0%
	Task 2: Labor Compliance Program	-	\$10,000	\$0	\$10,000	\$0	\$0	\$10,000	100%
	Task 3: Reporting	-	\$0	\$95,006	\$95,006	\$0	\$0	\$95,006	100%
	Subtask 3.1 Complete Quarterly, Annual, and Final Reports as Specified in the Grant Agreement	-	\$0	\$6,400	\$6,400	\$0	\$0	\$6,400	100%
	Subtask 3.2 Design Data Management Approach	-	\$0	\$10,000	\$10,000	\$0	\$0	\$10,000	100%
	Subtask 3.3 Monitoring, Assessment, and Performance Measurement	-	\$0	\$78,606	\$78,606	\$0	\$0	\$78,606	100%
(b)	Land Purchase/Easement (N/A)	-	\$0	\$0	\$0	\$0	\$0	\$0	0%
(c)	Planning/Design/Engineering/ Environmental Documentation	-	\$2,996,900	\$42,000	\$3,038,900	\$0	\$0	\$3,038,900	100%
	Task 4: Assessment and Evaluation (Complete)	-	\$81,700	\$10,000	\$91,700	\$0	\$0	\$91,700	100%
	Subtask 4.1 Prepare and advertise requests for environmental and design engineering contract (Complete)	X	\$0	\$0	\$0	\$0	\$0	\$0	0%
	Subtask 4.2 Award Environmental and Design Engineering Contracts (Complete)	X	\$0	\$0	\$0	\$0	\$0	\$0	0%
	Subtask 4.3 Prepare Facilities Planning Document (Complete)	X	\$0	\$0	\$0	\$0	\$0	\$0	0%
	Subtask 4.4 Conduct value engineering study (Complete)	-	\$81,700	\$10,000	\$91,700	\$0	\$0	\$91,700	100%
	Task 5: Final Design (Complete)	-	\$2,529,000	\$10,000	\$2,539,000	\$0	\$0	\$2,539,000	100%
	Subtask 5.1 Initiate Design (Complete)	X	\$0	\$0	\$0	\$0	\$0	\$0	0%
	Subtask 5.2 30% design submittals (Complete)	-	\$779,000	\$2,500	\$781,500	\$0	\$0	\$781,500	100%
	Subtask 5.3 60% design submittals (Complete)	-	\$779,000	\$2,500	\$781,500	\$0	\$0	\$781,500	100%
	Subtask 5.4 90% design submittals (Complete)	-	\$779,000	\$2,500	\$781,500	\$0	\$0	\$781,500	100%
	Subtask 5.5 100% design submittals (Complete)	-	\$192,000	\$2,500	\$194,500	\$0	\$0	\$194,500	100%
	Task 6: Environmental Documentation (Complete)	-	\$103,100	\$2,000	\$105,100	\$0	\$0	\$105,100	100%
	Subtask 6.1 Prepare and Circulate Initial Study (Complete)	X	\$0	\$0	\$0	\$0	\$0	\$0	0%
	Subtask 6.2 Prepare and Circulate First MND (Complete)	X	\$0	\$0	\$0	\$0	\$0	\$0	0%
	Subtask 6.3 Prepare and Circulate Second MND (Complete)	-	\$103,100	\$0	\$103,100	\$0	\$0	\$103,100	100%
	Subtask 6.4 Adopt Final CEQA MND (Complete)	-	\$0	\$2,000	\$2,000	\$0	\$0	\$2,000	100%
	Task 7: Permitting	-	\$283,100	\$20,000	\$303,100	\$0	\$0	\$303,100	100%
	Subtask 7.1 Coastal Development Permit, Santa Barbara County	-	\$95,000	\$5,000	\$100,000	\$0	\$0	\$100,000	100%
	Subtask 7.2 Coastal Development Permit, CA Coastal Commission	-	\$79,050	\$5,000	\$84,050	\$0	\$0	\$84,050	100%
	Subtask 7.3 Land Use Permit, Santa Barbara County	-	\$79,050	\$5,000	\$84,050	\$0	\$0	\$84,050	100%
	Subtask 7.4 Authority to Construct Permit, Santa Barbara County Air Pollution Control District (APCD)	-	\$30,000	\$5,000	\$35,000	\$0	\$0	\$35,000	100%

Table 7-6 Project 6 Budget									
Proposal Title: <u>Santa Barbara County Region Prop 84 IRWM Implementation Grant Application – Round 1</u>									
Project 6 Title: <u>Goleta Sanitary District (GSD), Wastewater Treatment Plant Upgrade</u>									
Budget Category		Task Completed Before 9/30/2008	(a)			(b)	(c)	(d)	(e)
			Non-State Share* (Funding Match)			Requested Grant Funding	Other State Funds Being Used	Total	% Funding Match
			Cash Funding Match	In-Kind Funding Match	Total Funding Match (Cash + In-Kind)				
(d)	Construction/Implementation	-	\$3,315,928	\$20,000	\$3,335,928	\$521,428	\$10,830,583	\$14,687,939	23%
	Task 8: Construction Contracting	-	\$25,530	\$20,000	\$45,530	\$0	\$0	\$45,530	100%
	Subtask 8.1 Prepare and Advertise Request For Qualifications (RFQ) (Complete)	-	\$16,200	\$10,000	\$26,200	\$0	\$0	\$26,200	100%
	Subtask 8.2 Evaluate Bids and Select Construction Contractor	-	\$9,330	\$10,000	\$19,330	\$0	\$0	\$19,330	100%
	Task 9: Construction	-	\$3,290,398	\$0	\$3,290,398	\$521,428	\$10,830,583	\$14,642,409	22%
	Subtask 9.1 Mobilization and Site Preparation	-	\$0	\$0	\$0	\$0	\$4,572,083	\$4,572,083	0%
	9.1.1 Contractor Mobilization	-	\$0	\$0	\$0	\$0	\$1,036,343	\$1,036,343	0%
	9.1.2 General Site Preparation: plant shutdowns, project photos, setup of field office, sediment & erosion control measures	-	\$0	\$0	\$0	\$0	\$3,535,740	\$3,535,740	0%
	Subtask 9.2 Project Construction	-	\$3,290,398	\$0	\$3,290,398	\$0	\$5,913,053	\$9,203,451	36%
	9.2.1 Site work, grading, and paving	-	\$0	\$0	\$0	\$0	\$1,367,118	\$1,367,118	0%
	9.2.2 Yard piping	-	\$0	\$0	\$0	\$0	\$1,107,285	\$1,107,285	0%
	9.2.3 Construct aeration basins	-	\$575,000	\$0	\$575,000	\$0	\$2,079,462	\$2,654,462	22%
	9.2.4 Construct blower building	-	\$0	\$0	\$0	\$0	\$870,664	\$870,664	0%
	9.2.5 Construct secondary clarifiers	-	\$2,715,398	\$0	\$2,715,398	\$521,428	\$0	\$3,236,826	84%
	9.2.6 Construct flare	-	\$0	\$0	\$0	\$0	\$221,023	\$221,023	0%
	9.2.7 Replace Diesel Dredge with Electric Dredge	-	\$0	\$0	\$0	\$0	\$267,500	\$267,500	0%
	Subtask 9.3 Demobilization	-	\$0	\$0	\$0	\$0	\$345,448	\$345,448	0%
(e)	Environmental Compliance/ Mitigation/Enhancement	-	\$20,000	\$0	\$20,000	\$0	\$0	\$20,000	100%
	Task 10: Environmental CEQA Compliance	-	\$20,000	\$0	\$20,000	\$0	\$0	\$20,000	100%
	Subtask 10.1 Archaeological Monitoring of Excavations	-	\$10,000	\$0	\$10,000	\$0	\$0	\$10,000	100%
	Subtask 10.2 Bird Surveys if Construction during Nesting Season	-	\$10,000	\$0	\$10,000	\$0	\$0	\$10,000	100%
(f)	Construction Administration	-	\$0	\$0	\$0	\$0	\$1,042,533	\$1,042,533	0%
	Task 11: Construction Administration	-	\$0	\$0	\$0	\$0	\$1,042,533	\$1,042,533	0%
	Subtask 11.1 Engineering construction management	-	\$0	\$0	\$0	\$0	\$279,667	\$279,667	0%
	Subtask 11.2 Construction contractor administration	-	\$0	\$0	\$0	\$0	\$762,867	\$762,867	0%
(g)	Other Costs	-	\$40,000	\$0	\$40,000	\$0	\$8,101,401	\$8,141,401	0%
	Legal review of contracts	-	\$40,000	\$0	\$40,000	\$0	\$0	\$40,000	100%
	Sales tax (8.75%)	-	\$0	\$0	\$0	\$0	\$1,545,344	\$1,545,344	0%
	Contractor's profit fees (15%)	-	\$0	\$0	\$0	\$0	\$5,879,872	\$5,879,872	0%
	Contractor's bond and insurance (1.5%)	-	\$0	\$0	\$0	\$0	\$676,185	\$676,185	0%
(h)	Construction/Implementation Contingency (7.5%)	-	\$3,431,640	\$0	\$3,431,640	\$0	\$0	\$3,431,640	100%
(i)	Grand Total (Sum rows (a) through (h) for each column)	-	\$9,952,518	\$227,206	\$10,179,724	\$521,428	\$19,974,518	\$30,675,670	33.2%
<p>*List sources of funding:</p> <p>Cash match will be contributed by GSD and four other contract users including Goleta West Sanitary District, UCSB, City of Santa Barbara Airport, and Santa Barbara County for a total of nearly \$10 million. GSD will contribute 47.87% of the cash funding match for this project, while the other contract users are committed to 52.13% of the cash funding match. A copy of the agreement signed by each of the contract users confirming their financial commitment to this project is provided in Appendix 4-6.</p> <p>GSD operates from sewer service charges collected from property owners in the service area connected to the sewer system. Currently the annual fee is \$442.32 per residence. The sewer service charges have been increased twice to help pay for the wastewater treatment plant upgrade project. The first increase (\$3.31) in the monthly sewer service charge for FY 07-08 and the second increase (\$8.00) in the monthly sewer service charge for FY 08-09 have been collected and deposited into a separate fund to pay for this project. A copy of the Prop 218 notices to property owners notifying them of each of the two sewer service rate increase dated April 2007 and April 2008 are provided in Appendix 4-6.</p> <p>GSD is also contributing \$227,206 funding match in the form of in-kind services (employee labor time) for project administration, reporting, design, engineering, environmental documentation, permitting and construction contracting tasks. The in-kind estimates listed herein are anticipated to be conservative estimates over the next 3 years. A copy of the signed In-Kind Funding Match Labor Hours form is included in Appendix 4-6, which documents the estimated labor hours and bill rate information for each GSD employee working directly on this project.</p> <p>In addition, GSD applied for a Clean Water State Revolving Fund (CWSRF) loan; this loan will be repaid by GSD from sewer service charges. The application was submitted to the State Water Resources Control Board (SWRCB) in October 2008. Per DWR instructions, this SRF Loan funding amount was not counted as match and is instead listed as "other state funds". A copy of the CWSRF Facility Plan Approval and Preliminary Funding Commitment is included in Appendix 4-6.</p>									

GSD is also contributing a \$42,000 funding match in the form of in-kind services (employee labor time) to participate in the value engineering study, review the design, review CEQA documentation, and secure the necessary permits. This estimate is based on the labor time spent by or anticipated to be spent by the District General Manager, Technical Services Supervisor, and Operations Manager on each of these tasks. A copy of the signed In-Kind Funding Match Labor Hours form is included in Appendix 4-6.

The efforts put forth in preparing and advertising the bid packages for environmental and design engineering services (Subtask 4.1), awarding the environmental and design engineering contract (Subtask 4.2), preparing the Facilities Planning document (Subtask 4.3), initiating the design (Subtask 5.1), and preparing the initial study and first MND documentation (Subtasks 6.1 and 6.2) were completed prior to September 30, 2008; these tasks are included in Table 7-6 for completeness, but are shown as zero costs per DWR instructions. The funding match is not associated with these subtasks.

Budget Category (d): Construction/Implementation

Construction and implementation Project 6 is supported by funding match (\$3.3 million), Prop 84 grant funds (\$521,428), and “other state” CWSRF loan funds (\$10.8 million), for a total estimated construction cost of \$14.7 million.

GSD and the other contract users will contribute an estimated \$3.3 million in direct cash match toward construction contracting (Task 8) and Project construction (Subtask 9.2), including construction of the aeration basins (Subtask 9.2.3) and construction of the secondary clarifiers (Subtask 9.2.5). Construction estimates are based on the Opinion of Probable Construction Cost (OPCC) prepared by HDR, the design engineering consultant, as part of the final design report. HDR prepared the prequalification bid package (Subtask 8.1) and is responsible for evaluating the construction bids and recommending a construction contractor (Subtask 8.2). HDR’s proposal and the OPCC are included in Appendix 4-6.

GSD is also contributing a \$20,000 funding match in the form of in-kind services (employee labor time) for construction contracting services (Task 8). GSD reviewed the bid packages (Subtask 8.1) and will be responsible for reviewing HDR’s recommendations and making the final construction contractor selection (Subtask 8.2). These estimates are based on the labor time spent or anticipated to be spent by the District General Manager and Operations Manager on these tasks. A copy of the signed In-Kind Funding Match Labor Hours form is included in Appendix 4-6.

The entire requested grant amount of \$521,428 will be applied toward the construction of the secondary clarifiers. Two new 80-foot-diameter secondary clarifiers will be constructed, estimated by HDR to cost \$1.6 million each for a total of \$3.2 million. The aeration basin and secondary clarifiers are expected to be some of the first structures constructed during the WWTP upgrade.

EXHIBIT 4.6-3

Secondary Clarifiers Construction Costs

Secondary Clarifier Construction Component	Cost Estimate	Source
Concrete	\$1,208,617	OPCC, September 2010
Metal	\$28,441	OPCC, September 2010
Equipment	\$848,685	OPCC, September 2010
Mechanical	\$469,779	OPCC, September 2010
Materials and finishes	\$54,008	OPCC, September 2010
Electrical	\$627,296	OPCC, September 2010
Total for two secondary clarifiers	\$3,236,826	

Note: Site work is accounted for separately in Subtask 9.2.1

The remaining construction costs associated with Task 9, Construction, will be covered by the CWSRF loan in the amount of \$10.8 million. Construction cost estimates are based on the OPCC prepared by HDR. The OPCC and the CWSRF funding requirements detailing the type of work that the funding amount can be applied toward are both provided in Appendix 4-6.

EXHIBIT 4.6-4

Aeration Basin Construction Costs

Aeration Basin Construction Component	Cost Estimate	Source
Concrete	\$1,657,024	OPCC, September 2010
Metal	\$149,989	OPCC, September 2010
Equipment	\$284,164	OPCC, September 2010
Mechanical	\$105,752	OPCC, September 2010
Electrical	\$457,533	OPCC, September 2010
Total	\$2,654,462	

Note: Site work is accounted for separately in Subtask 9.2.1

Budget Category (e): Environmental Compliance/Mitigation/Enhancement

Environmental compliance (Task 10) is completely supported by funding match in the amount of \$20,000. This estimate consists of cash funding match only. GSD and the other contract users will contribute an estimated \$20,000 in direct cash match toward archaeological monitoring of the excavations (Subtask 10.1) and bird surveys, if the construction occurs during nesting season (Subtask 10.2). This estimate is based on the fee schedule provided by the environmental consulting firms hired to perform these tasks.

Dudek has been selected to conduct the archaeological monitoring, which will take place throughout the entire excavation portion of the Project. Cardno ENTRIX, an environmental and natural resource management consulting company, will be retained

by GSD to conduct the bird surveys if construction takes place during the nesting season. Dudek's proposal for archaeological services is included in Appendix 4-6.

Budget Category (f): Construction Administration

Construction administration (Task 11) is supported entirely by CWSRF loan funding in the amount of \$1 million. The loan amount will be applied toward engineering construction management (Subtask 11.1) and construction contractor administration fees (Subtask 11.2). This estimate is based on the fee schedule provided by the design engineering firm (HDR) retained by GSD to provide engineering services during construction (Subtask 11.1), as well as the anticipated construction contractor administration fees (Subtask 11.2) developed in the proposal prepared by Dudek. HDR's proposal for engineering services during construction and professional services agreement, as well as Dudek's proposal for construction services, are included in Appendix 4-6.

Budget Category (g): Other Costs

Other costs identified for this Project include legal review, sales tax (8.75 percent), contractor profit fees (15 percent), and contractor's bond and insurance estimates (1.5 percent). These costs will be supported both by direct cash funding match from GSD and the other contract users (\$40,000) and CWSRF loan funding (\$8.1 million). GSD and the other contract users will contribute \$40,000 in cash funding match in support of the legal review of contracts. This estimate is based on the anticipated fees from the legal team hired to review the contract documents, which are anticipated to be similar to past projects. The CWSRF loan will fund \$1 million in support of other costs related to Project construction, including the sales tax, contractor fees, and contractor's bond and insurance estimates. These costs are based on the estimates prepared by HDR in the OPCC. The OPCC is included in Appendix 4-6.

Budget Category (h): Construction/Implementation Contingency

The estimated construction contingency for this Project is \$3.4 million and was calculated as 7.5 percent of the total construction costs, as identified in the OPCC prepared by HDR. The contingency cost is supported completely by cash funding match from GSD and the other contract users. The OPCC listing this estimate is included in Appendix 4-6.

Introduction to Project 7: City of Guadalupe, Recycled Water Feasibility Study

The Recycled Water Feasibility Study (Project 7 or Project) has an estimated total cost of \$82,072, and the City of Guadalupe (City) is requesting \$71,428 in Prop 84 Implementation Grant funding. Because the City is a DAC with limited funds available to support this Project, the requested grant amount will fund the direct costs to develop the feasibility study entirely. The City is committed to contributing \$10,644 in matching funds (in-kind), which equates to a 13 percent funding match for this Project. As demonstrated in Attachment 3, Work Plan, and Attachment 12, Disadvantaged Community Assistance, this Project addresses a critical water supply issue for a DAC.

Funding Sources

In-Kind Funding Match

The City is contributing \$10,644 in the form of in-kind services (employee labor time) for Project administration and reporting tasks. Appendix 4-7 includes a copy of the signed In-Kind Funding Match Labor Hours form, which documents the estimated labor hours and bill rate information for each City employee working directly on this Project.

Costs Incurred Prior to September 30, 2008

Project 7 does not include other state funds, and each of the costs identified in the budget was incurred after September 30, 2008. None of the tasks associated with this Project were performed prior to September 30, 2008.

Project 7 Detailed Budget

A detailed estimate of Project costs is presented in Table 7-7. An explanation of how the costs were developed is presented herein for each budget category, and supporting documentation is provided in Appendix 4-7.

Budget Category (a): Direct Project Administration Costs

The direct Project administration costs are completely supported by funding match. The City of Guadalupe is contributing \$10,644 funding match in the form of in-kind services (employee labor time) for Project administration (Task 1) and reporting (Task 2). This estimate is based on the labor time anticipated to be spent by the City Engineer, City Administrator, and Senior Administrative Intern on Project administration and management of the overall process, as well as reporting of progress, design data management, and monitoring, assessment, and performance measurement as outlined in Attachment 3, Work Plan. Copies of the signed City Resolution, which documents the City's financial commitment to Project 7, and In-Kind Funding Match Labor Hours form are included in Appendix 4-7.

Budget Category (b): Land Purchase/Easement

Project 7 does not require the purchase of land or an easement to use the land; therefore, the budgeted costs are equal to zero. If the Project moves forward with the construction of tertiary treatment facilities, no land purchase will be required because the City already owns this land. However, the potential construction of distribution piping to future reuse customers and the wetlands area may require the purchase of land or easements. The need to purchase or acquire right-of-way for the Project will be discussed in the study.

Budget Category (c): Planning/Design/Engineering/Environmental Documentation

Project 7 is an engineering feasibility study, rather than a design or construction project; therefore, the estimated Project costs fall under this budget category. Because the City is a DAC with limited funds available to support this Project and because studies have been identified by DWR as eligible projects for DACs, the requested grant funding amount of \$71,428 will entirely fund the direct costs to develop the feasibility study.

The true cost to complete the feasibility study will be realized upon receipt of consultant proposals; the Request for Proposals is scheduled to be advertised immediately following the award date of the grant (June 1, 2011). For the purpose of this grant application, a scope of work and fee schedule was developed in February 2010 by Dudek, an environmental engineering consulting firm. Therefore, the requested grant amount is based on the estimate provided by Dudek and is anticipated to be representative of the actual consultant fees. Available supporting documentation is provided in Appendix 4-7.

Budget Category (d): Construction/Implementation

Project 7 is a feasibility study, rather than a construction project; therefore, no construction/implementation costs are associated with this Project.

Budget Category (e): Environmental Compliance/Mitigation/Enhancement

Environmental compliance is not required for this Project because it is a feasibility study. There are also no mitigation or enhancement costs associated with this feasibility study. If the Project is determined to be feasible, permitting and environmental compliance will be completed as part of Project implementation.

Budget Category (f): Construction Administration

There are no construction administration costs associated with this feasibility study. These costs would be incurred if the Project is determined to be feasible and is implemented.

Table 7-7 Project 7 Budget									
Proposal Title: <u>Santa Barbara County Region Prop 84 IRWM Implementation Grant Application – Round 1</u>									
Project 7 Title: <u>City of Guadalupe, Recycled Water Feasibility Study</u>									
Budget Category		Task Completed Before 9/30/2008	(a)			(b)	(c)	(d)	(e)
			Non-State Share* (Funding Match)			Requested Grant Funding	Other State Funds Being Used	Total	% Funding Match
			Cash Funding Match	In-Kind Funding Match	Total Funding Match (Cash + In-Kind)				
(a)	Direct Project Administration Costs	-	\$0	\$10,644	\$10,644	\$0	\$0	\$10,644	100%
	Task 1: Administration	-	\$0	\$8,244	\$8,244	\$0	\$0	\$8,244	100%
	Subtask 1.1 Grant Administration	-	\$0	\$1,644	\$1,644	\$0	\$0	\$1,644	100%
	Subtask 1.2 Issue Request For Proposals (RFP)	-	\$0	\$1,600	\$1,600	\$0	\$0	\$1,600	100%
	Subtask 1.3 Evaluate Proposals, Interview and Select Consultant	-	\$0	\$2,600	\$2,600	\$0	\$0	\$2,600	100%
	Subtask 1.4 Project Oversight and Monitoring	-	\$0	\$2,400	\$2,400	\$0	\$0	\$2,400	100%
	Task 2: Reporting	-	\$0	\$2,400	\$2,400	\$0	\$0	\$2,400	100%
	Subtask 2.1 Complete Quarterly, Annual, and Final Reports as Specified in the Grant Agreement	-	\$0	\$800	\$800	\$0	\$0	\$800	100%
	Subtask 2.2 Design Data Management Approach	-	\$0	\$800	\$800	\$0	\$0	\$800	100%
	Subtask 2.3 Monitoring, Assessment, and Performance Measurement	-	\$0	\$800	\$800	\$0	\$0	\$800	100%
(b)	Land Purchase/Easement (N/A)	-	\$0	\$0	\$0	\$0	\$0	\$0	0%
(c)	Planning/Design/Engineering/ Environmental Documentation	-	\$0	\$0	\$0	\$71,428	\$0	\$71,428	0%
	Task 3: Assessment and Evaluation	-	\$0	\$0	\$0	\$71,428	\$0	\$71,428	0%
	Subtask 3.1 Data Collection and Review	-	\$0	\$0	\$0	-	\$0	-	0%
	Subtask 3.2 Review of Standards, Ordinances and Regulations	-	\$0	\$0	\$0	-	\$0	-	0%
	Subtask 3.3 Recycled Water Market Assessment	-	\$0	\$0	\$0	-	\$0	-	0%
	Subtask 3.4 Recycled Water Supply Evaluation	-	\$0	\$0	\$0	-	\$0	-	0%
	Subtask 3.5 Feasibility Analysis and Alternatives Development	-	\$0	\$0	\$0	-	\$0	-	0%
	Subtask 3.6 Alternatives Evaluation	-	\$0	\$0	\$0	-	\$0	-	0%
	Subtask 3.7 Report Preparation	-	\$0	\$0	\$0	-	\$0	-	0%
(d)	Construction/Implementation (N/A)	-	\$0	\$0	\$0	\$0	\$0	\$0	0%
(e)	Environmental Compliance/ Mitigation/Enhancement (N/A)	-	\$0	\$0	\$0	\$0	\$0	\$0	0%
(f)	Construction Administration (N/A)	-	\$0	\$0	\$0	\$0	\$0	\$0	0%
(g)	Other Costs	-	\$0	\$0	\$0	\$0	\$0	\$0	0%
(h)	Construction/Implementation Contingency (N/A)	-	\$0	\$0	\$0	\$0	\$0	\$0	0%
(i)	Grand Total (Sum rows (a) through (h) for each column)	-	\$0	\$10,644	\$10,644	\$71,428	\$0	\$82,072	13.0%
*List sources of funding: <i>City of Guadalupe is contributing \$10,644 funding match in the form of in-kind services (employee labor time) for project administration and reporting. A copy of the signed City Resolution and In-Kind Funding Match Labor Hours form is included in Appendix 4-7, which documents the City’s financial commitment to this project as well as the estimated labor hours and bill rate information for each City employee working directly on this project.</i>									

Budget Category (g): Other Costs

No other costs are anticipated for this Project because there are no required licenses or permits.

Budget Category (h): Construction/Implementation Contingency

A construction/implementation contingency is not applicable for this Project because it is a feasibility study rather than a construction project. However, the feasibility study contingency is factored into the costs identified in Task 3 in Budget Category (c).